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Daily Report
East Asia

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KYODO Reports on Asian Foreign Ministers' Meeting

OW0302065996 Tokyo KYODO in English 0613 GMT 3 Feb 96

[FBIS Transcribed Text] Phuket, Thailand, Feb. 3 KYODO — Foreign ministers of 10 Asian countries ended two days of talks in Thailand Saturday, agreeing to play down human rights in a chairman's statement to be issued at the close of next month's inaugural Asia-Europe summit meeting in Bangkok.

A senior Japanese Foreign Ministry official told reporters that the foreign ministers of China, Japan, South Korea and the seven- member association of Southeast Asian nations (ASEAN) agreed not to "single out" the issue of human rights in the statement to be issued at the 25-nation Asia-Europe meeting (ASEM) on March 1-2.

The consensus was reached after two days of preparatory talks at a luxury hotel on the resort island of Phuket.

The official, speaking on condition of anonymity, said the ministers agreed that human rights should be mentioned only in tandem with references to other "social problems" like overpopulation and the empowerment of women.

He said it was deemed necessary to dilute references to human rights so as to reflect a more "balanced" approach to the controversial issue.

The reference heretofore proposed was an expression of the Asian and European leaders' commitment to existing international standards as laid out in the Vienna Declaration and program of action which emerged from the 1993 UN World Conference on Human Rights.

The official said the foreign ministers felt that the Vienna documents should not be mentioned "in isolation," but rather together with references to other relevant international documents such as the UN Charter and the declaration issued at last year's UN Conference on Women in Beijing.

But the official said it remains to be seen how the wording of the statement will evolve since the European side attaches great importance to the issue of human rights in its ties with Asia.

Thai officials will travel to Rome next week to consult with Italian counterparts on the draft chairman's statement. Italy currently holds the presidency of the 15-member European Union (EU).

The two sides have already agreed on the need to have open and frank dialogue on "values and codes" that govern societies on both continents, bearing in mind the different cultural and social backgrounds.

A senior Thai Foreign Ministry official, Saroj Chavanaviraj, told reporters Friday that while human rights would be "raised for sure" during the leaders' talks, caution should be exercised to ensure that the issue does not scuttle the meeting.

"Both sides should understand that there is a certain limit to this and if anyone goes beyond that limit...then it would backfire on the meeting itself," he said.

ASEM will bring together the leaders of the 10 East Asian countries with their counterparts from the EU with the aim of deepening economic ties, promoting political and security dialogue and exploring various fields of cooperation.

Topics for discussion so far identified include facilitation of trade and investment, strengthening of the multilateral trading system, political and security cooperation and nuclear nonproliferation.

ASEAN is comprised of Brunei, Indonesia, Malaysia, the Philippines, Singapore, Thailand and Vietnam, while the EU comprises Austria, Belgium, Britain, Denmark, Finland, France, Germany, Greece, Ireland, Italy, Luxembourg, the Netherlands, Portugal, Spain and Sweden.

Further on Preparatory Meeting's Closing

BK0402103196 Bangkok THAILAND TIMES in English 4 Feb 96 p A2

[Report by Saranyu Samakratthakit]

[FBIS Transcribed Excerpt] Phuket — Foreign ministers of ten Asian countries yesterday concluded their informal meeting preparing for the forthcoming Asia-Europe summit (ASEM) in Bangkok.

While issues of human rights and labor standard may be downplayed by Asian side, the talks at the summit are certain to focus on security cooperation between the two continents.

Yesterday's meeting also wrapped up the Asian side's list of proposals for discussions for the March 1-2 leaders' summit.

Thai officials are scheduled to discuss the Asia' position with Italian officials in Rome on February 8.

Indonesian Foreign Minister Ali Alatas said the treaty of Comprehensive Total Test Ban of nuclear weapons was one of the papers prepared for the summit talks.

Sarot Chawanawirot, Foreign Ministry's deputy permanent secretary, said the two continents' cooperation on security would be in the same direction as the ASEAN

Regional Forum (ARF), because all countries participating in the summit have already been in the forum.

Sarot said the foreign ministers also adopted an informal agreement comprising political, security, and economic issues to be discussed at the summit.

ARF was launched by the ASEAN as a mutual confidence-building measure for regional security cooperation.

He said the summit would open several channels on political cooperation for the benefit of both sides. [passage omitted]

Singapore's Foreign Minister Stresses Importance of ASEM

BK0502135096 Singapore THE SUNDAY TIMES in English 4 Feb 96 p 1

[Report by Lee Kim Chew in Phuket]

[FBIS Transcribed Text] Foreign Minister S. Jayakumar yesterday said the Asia-Europe Summit (ASEM) to be held in Bangkok next month was too important a meeting to be just a "one shot" affair.

Nor should it be expected to achieve results overnight, he said after conferring with his counterparts from the other ASEAN countries, China, Japan and South Korea.

"We think it has to be an evolutionary process. This is recognised by both sides," he said.

Singapore attached great importance to the summit, he added. "Both sides — Europe and Asia — want to seize this moment to embark on a new partnership between Europe and Asia."

He stressed that the other essential condition for the partnership to take off was for the two sides to approach the summit "in a spirit that is not adversarial".

The goal was to maximise mutual cooperation for long-term benefits, he said. After Bangkok, there would be another ASEM to be hosted by Europe.

"There is already an emerging consensus that two years after the meeting in Europe, there should be another ASEM again in Asia," he added.

Britain has offered to host the summit in 1998 and likewise, the South Koreans in 2000.

In their two-day preparatory meeting here which ended yesterday, the Asian foreign ministers discussed the contents of the chairman's statement that will be issued at the end of the summit.

They also discussed at some length the arrangements for European foreign or economic ministers who want to accompany their leaders to Bangkok.

Prof Jayakumar said the substantive sessions of the summit would be confined to he leaders only.

The question of ministerial participation has been a sticking point because the European Union has insisted that its ministers join the leaders at the summit.

But the Asian countries are adamant about a "leaders only" summit of the 25 heads of government so that, as Thai Foreign Minister Kasemsamoson Kasemsri put it, they could play a pivotal role in forging a new partnership between East and West.

He said Thai officials would be meeting the Italians who are currently president of the EU, in Rome on Thursday to sort out this matter.

Mr Kasemsamoson said Thailand as host, would organise informal ministerial meetings on the sidelines of the summit.

He made it clear that these would "not be running in parallel, not in competition with the leaders' meeting".

The Asian countries are prepared to let the ministers join their leaders only at the opening and closing sessions of the two-day summit.

Prof Jayakumar said Singapore, as the current coordinator of ASEAN-EU relations, was very confident that the summit "will be a historic turning point" for relations between the two regions.

Some diplomats in Brussels have indicated that the EU would raise the contentious issue of human rights. But Asian officials are confident that this will not be the focus or purpose of the summit.

Said Indonesia's Foreign Minister Ali Alatas: "For this dialogue to be successful, I think both sides should realise that you should not bring in controversial or non-relevant issues because these can be found on both sides.

"I can think of at least 10 issues that can seriously embarrass the European side but we are not thinking of raising them."

Seoul Proposes To Host ASEM Meeting in 2000

SK0202101996 Seoul YONHAP in English 0804 GMT 2 Feb 96

[FBIS Transcribed Text] Phuket, Thailand, Feb. 2 (YONHAP) — South Korea proposed Friday that it host the third Asia Europe Meeting (ASEM), which is expected to be held in the year 2000.

The proposal was made by Foreign Minister Kong No-myong at a foreign ministers' meeting of 10 Asian countries convened here to coordinate their positions for the upcoming ASEM, which is slated for March 1-2 in Bangkok, Foreign Ministry Spokesman So Tae-won said.

Kong made the proposal while stressing the need for the ASEM to continue. Japan, Singapore and Indonesia supported Kong's proposal, according to So.

During the ministerial meeting, the foreign ministers agreed that the ASEM be held alternately in Asia and Europe every two years, So said.

This means that the second ASEM will be held in Britain in 1998 and an Asian country will be entitled to host the third ASEM in 2000, he said.

The spokesman also said that it would be very natural for a Northeast Asian country such as South Korea, Japan or China to host the 2000 ASEM, since Thailand, a member of the Association of Southeast Asian Nations (ASEAN), is going to host the first summit next month.

South Korea could be confirmed as the host country for the third ASEM during the first ASEM scheduled for March 1-2 in Bangkok, if China doesn't raise any objections, the spokesman said, noting that Japan already supports Seoul's bid to host the 2000 ASEM.

The spokesman pointed out that the venues for the second and third Asia-Pacific Economic Cooperation (APEC) forum were formally decided during the first APEC forum.

Another Foreign Ministry official emphasized that ASEM is going to be a historic international forum that discovers the "missing link" that has kept Asia and Europe apart for the past millennia.

He also stressed that hosting the 2000 ASEM would clearly help improve South Korea's image and serve its national interests.

The official also noted that Europe and Asia lack such links as existing between Asia and America, or Europe and America.

He added that ASEM will prove to be a pivotal organization in the 21st century when Asian and European countries seek to cooperate and understand each other's security, political, economic, and cultural needs.

ASEM has 25 members, including 15 European union countries, seven ASEAN countries, South Korea, Japan and China.

Thailand Asks ROK, Japan To Assume Roles in River Project

SK0502015396 Seoul YONHAP in English 0059 GMT 5 Feb 96

[FBIS Transcribed Text] Phuket, Thailand, Feb. 5 (YONHAP) — Thailand has asked South Korea and Japan to play leading roles in the Mekong River Basin Development Project, a Thai Foreign Ministry official disclosed Sunday.

Speaking with Japanese Foreign Minister Yukihiko Ikeda Saturday, Thai Foreign Minister Kasemsamoson Kasemsi requested that South Korea and Japan not only contribute financial aid to the project but also participate in the construction of railroads and infrastructure in the region together with the Association of Southeast Asian Nations (ASEAN).

In the ASEAN summit last December, Myanmar, Laos, Cambodia, Vietnam, Thailand, and the Chinese Province of Yunnan agreed to expedite the coordination of "one Southeast Asia," while moving ahead with plans for developing the Mekong River region. It was also agreed that South Korea and Japan would participate in the development project.

ROK Minister Denies PRC Provided Food Supplies to DPRK

OW0502020196 Tokyo NIHON KEIZAI SHIMBUN in Japanese 4 Feb 96 Morning Edition p 5

[By reporter Katsuhiko Iino]

[FBIS Translated Text] Phuket, 3 Feb — On 3 February, ROK Foreign Minister Kong No-myong, who is currently staying in Phuket, commented on reports that the PRC aided the DPRK (North Korea) with 200,000-300,000 tons of food supplies. He indicated negative views on the reports, saying: "I do not believe that the PRC provided such a large supply of foodstuffs to the North (Korea). The Chinese Government has also covertly admitted this."

Kong made the disclosure after an hour-long meeting with Chinese Foreign Minister Qian Qichen.

Japan

Japan: Official Says Aviation Talks 'Lacked Specificity'

OW0702125696 Tokyo KYODO in English
1[illegible] GMT 7 Feb 96

[FBIS Transcribed Text] Tokyo, Feb. 7 KYODO — Japanese and U.S. aviation negotiators failed to strike an agreement in three-day bilateral air cargo talks [that] ended Wednesday, deciding to meet for another round in Washington later this month, Japanese and U.S. Government officials said.

At the talks — the third round in the current series of sessions which began in September — the United States showed its willingness to back down from its previous call for an "open skies" accord with Japan in the cargo sector.

When the negotiators met in Washington for the second round last November, the U.S. urged Tokyo to move to an open skies pact over five years for complete liberalization of trans-Pacific air services.

This time, the U.S. suggested they could take other approaches. "There are different ways to have good agreements," a U.S. Government official told reporters at the U.S. Embassy in Tokyo. "We think open skies are the best, but there are other good ones."

Washington currently has 11 or 12 open skies accords with other nations and between 40 and 60 bilateral aviation pacts of other kinds, the U.S. official noted.

But the discussion lacked specificity, a Japanese Transport Ministry official said.

Japan reiterated its request for granting Nippon Cargo Airlines (NCA) the ability to set the number of its flights without seeking official approval from the other side's government, as accorded in the 1952 Japan-U.S. aviation pact.

Japan Airlines is the only Japanese cargo carrier with the privilege, while two U.S. carriers, Federal Express and Northwest Airlines, enjoy the right.

Tokyo wants to add NCA to the list to balance the aviation interests of the two countries, but the U.S. has not made a formal reply to the request, Japanese officials said.

The U.S., however, proposed boosting the Japanese quota of charter flights for cargo and passenger services to match the U.S. quota. The Japanese side appreciated the offer, the officials said.

Japanese negotiators told reporters that while one cannot say progress has been made on the whole, there has been a beneficial exchange of views with their U.S. counterparts.

The negotiators will convene another three-day session in Washington beginning Feb. 28 in a bid to wrap up the cargo sector talks by the end of March, as planned, and then move on to negotiations for the passenger sector.

Japan: Hashimoto, Ikeda, Lake Discuss Clinton Visit, DPRK Aid

OW0702134296 Tokyo KYODO in English
1306 GMT 7 Feb 96

[FBIS Transcribed Text] Tokyo, Feb. 7 KYODO — U.S. White House National Security Adviser Anthony Lake and Prime Minister Ryutaro Hashimoto agreed Wednesday [7 February] their countries will work together to progress toward solution of pending bilateral issues before President Bill Clinton visits Japan in April, a Foreign Ministry official said.

Hashimoto asked for U.S. cooperation in heeding calls from the southernmost Japanese prefecture of Okinawa for a reduction of U.S. bases there, saying it is important to promote Japanese people's appreciation of the bilateral security treaty.

Lake, assistant to Clinton for national security affairs, agreed with Hashimoto on the importance of progress on the Okinawa issue ahead of the Clinton visit slated for April 16-18.

They expressed hopes that the Clinton visit would become an occasion to emphasize, at a joint press conference, the fortitude of the Japan-U.S. security setup.

Some Japanese have questioned the bilateral security arrangements in the wake of the alleged rape of an Okinawan schoolgirl in September, for which three U.S. servicemen are on trial.

Lake also urged progress prior to the Clinton visit on a bilateral trade row, while Hashimoto said it is important not to politicize the issue.

The United States has asked for solutions to trade disputes over semiconductors, photographic film, insurance and aviation.

Lake also urged Japan to contribute some of the money needed to provide fuel oil to North Korea in exchange for Pyongyang's abandonment of old reactors suspected of use in nuclear arms development, the official said.

Hashimoto pledged to study the issue, saying the problem stemmed from a delay in a U.S. budgetary measure on the fuel oil aid, but said the U.S. should fulfill its responsibility to foot the bill for the assistance from the latter half of this year.

They met for 45 minutes at the Prime Minister's Official Residence, with Lake paying an honorary visit to Hashimoto.

Earlier Wednesday, lake met Foreign Minister Yukihiko Ikeda to discuss the Clinton visit and North Korea.

Tokyo Faces Issues Raised by Coalition Mission Stance

OW0702034696 Tokyo YOMIURI SHIMBUN in Japanese 6 Feb 96 Morning Edition p 2

[FBIS Translated Text] The government is facing additional difficulties in regard to the issue of realigning and scaling down U.S. military bases on Okinawa. Some members of the ruling coalition parties have begun to argue that U.S. Marine Corps bases should be drastically scaled down by transferring troops stationed in Okinawa back to the United States.

A ruling coalition parties' fact-finding mission on security issues (headed by former Foreign Minister Taro Nakayama) is scheduled to arrive in the United States on 6 February. Members of the mission are considering sounding out the U.S. Government regarding the idea of transferring Marines back to the United States when they meet with William Perry, U.S. secretary of defense, and congressmen on 7 February. They believe that "the functions of the Japan-U.S. security arrangement can be maintained by deploying the Marines from the United States and stationing them on Okinawa in times of emergency" (according to a coalition source).

In reaction to this idea of "stationing U.S. troops in times of emergency," the government, asserting that "Japan and the United States have agreed that maintaining U.S. troops at the current level would be a prerequisite," has put up an argument, citing such points as follows: 1) The United States has repeatedly indicated that 47,000 troops have to be maintained in Japan, and thus no policy changes can be made; and 2) under this idea, U.S. troops would still use military bases in times of emergency, and thus it would not directly lead to the realignment and reduction of military bases.

The government is increasingly concerned over the coalition mission's plan to sound out the United States in regard to this idea, pointing out that "it could add fuel to arguments raised by some contenders in the United States who claim it is no longer necessary to maintain the Japan-U.S. security arrangement" (according to a Defense Agency source).

Japan: DA Official Seeks USMC Cooperation on Base Cut

OW0702085296 Tokyo NIHON KEIZAI SHIMBUN in Japanese 6 Feb 96 Morning Edition p 2

[FBIS Translated Text] General C. C. Krulak, commandant of the U.S. Marine Corps [USMC], who is in Japan for an inspection of the Marines, met with Tetsuya Nishimoto, chairman of the Joint Staff Council, at the Defense Agency on 5 February.

During the meeting, Krulak stressed the significance of the forward deployment of the USMC as a combat-ready force to maintain military stability in Asia and the Pacific, and in the Persian Gulf.

For his part, Nishimoto discussed the U.S. military bases in Okinawa and said: "There may not be a solution that will satisfy all parties involved in this issue. If we resolve the problem, however, it will further strengthen the Japan-U.S. security alliance." He asked for the USMC's cooperation in the reorganization and reduction of U.S. bases.

Japan: Okinawa Base 'Interim Report' To Focus on Pollution Issue

OW0602140096 Tokyo TOKYO SHIMBUN in Japanese 4 Feb 96 Morning Edition p 2

[FBIS Translated Text] The Japanese and U.S. Governments are supposed to prepare an "interim report" on settlement of issues connected with U.S. military bases in Okinawa prior to U.S. President Bill Clinton's visit to Japan scheduled in April. It is most likely, however, that the report will cover only such issues as relocation to mainland Japan of the site for live-fire exercises held across [Okinawa] Prefectural Highway 103 and that it will deal mainly with measures to prevent base-related pollution such as noise pollution caused by aircraft at the Futenma air base.

The report is likely to contain scant detail on the important issue of realigning, consolidating, and reducing bases because the government, with the Ministry of Foreign Affairs [MOFA] and the Defense Facilities Administration Agency playing major roles, has been slow in reviewing the U.S. bases in Okinawa, thereby delaying the process of devising plans for realigning, consolidating, and reducing bases.

The "Special Action Committee on U.S. Facilities in Okinawa [SACO]" is expected to serve as the forum for negotiations between Japan and the United States. However, as of 3 February there have been no decisions made on holding SACO sessions nor for its working-level panel sessions. Under the current circumstances, a large portion of the concrete plans for realigning, consolidating, and reducing bases will most likely be postponed until November when the "final report" is to be worked out.

Without waiting for the Okinawa prefectural government to submit its "draft action program for return of bases," since last year the government has conducted a review of 44 U.S. military sites—one by one—while maintaining unofficial contacts with the American Embassy and U.S. Forces Headquarters in Tokyo. Among the points reviewed are: 1) necessity as viewed from the standpoint of the Japan-U.S. Security Treaty; 2) relationship with landowners; 3) relationship with the livelihood of prefectural residents; 4) relationship with the plan for utilizing the land after its return; and the 5) possibility of relocation.

The government has spent much time on this review because "landowers of some bases are opposed to the return of bases," and because "it will be rather irresponsible for the government to merely negotiate with the U.S. Government to decide on which bases should be realigned, consolidated, or reduced," (as stated by a MOFA source).

The Japanese and U.S. Governments have promoted coordination on relocating live-fire exercises held across Prefectural Highway 104, which passes through Camp Hansen, to a Self-Defense Forces training field on mainland Japan. The progress in that coordination will be listed as one of the very few major points in the "interim report." Due to preparations, however, it will be difficult to complete relocation of the live-fire exercise site to mainland Japan in FY96 and it is expected not to be completed until after FY97.

Japan: SDF Peacekeeping Contingent Leaves for Mideast

OW0702055896 Tokyo KYODO in English 0351 GMT 7 Feb 96

[FBIS Transcribed Text] Narita, Japan, Feb. 7 KYODO — A contingent of 29 Self-Defense Forces (SDF) members left Narita Airport Wednesday [7 February] to participate in a UN Peacekeeping mission in the Israeli-occupied Golan Heights.

The group is the main contingent from the SDF and joins an advance mission Friday in a garrison in Ziouani on the Israeli side of the Golan Heights' demilitarized zone, officials said.

The Japanese peacekeepers will take part in UN Peacekeeping operations for about six months until August, the officials said.

The mideast mission is the fourth for SDF personnel under Japan's 1992 UN Peacekeeping operation cooperation and the third peacekeeping assignment after those in Cambodia and Mozambique.

But unlike the tasks in Cambodia and Mozambique, the mideast operations involve work under the command of another country, joint training and firing practices, and transportation of weapons and personnel in case of emergency.

The SDF peacekeepers will carry guns while on guard duty, but they will not be under the Canadian commander, in line with Japanese domestic law and policy of UN Peacekeeping activities, Seiji Ema, director of the defense agency's secretariat, said Tuesday.

The SDF contingent, dispatched to back up the operations of the UN Disengagement Observer Force (UNDOF) based in Syria, will also be responsible for road maintenance and transportation of food and other daily necessities for the UNDOF.

Tokyo Planning $12 Million Payment for Oil to DPRK

OW0702124296 Tokyo KYODO in English 1202 GMT 7 Feb 96

[FBIS Transcribed Text] Tokyo, Feb. 7 KYODO — Japan is planning to offer $12 million to help foot the bill for fuel oil that will be shipped to North Korea in February and March as a part of a nuclear agreement reached in October 1994, government sources said Wednesday.

At the U.S. request for Japanese help, the government has started work on setting aside the expenditure in the budget, the sources said.

The move came in response to U.S. Ambassador to Japan Walter Mondale's call on Japan earlier this week to contribute $12 million to help supply the reclusive communist state with fuel oil as an alternative energy source as the North dismantles its nuclear program.

Under the nuclear pact, the United States is to provide North Korea 500,000 tons of oil, worth $50 million, free of charge each year to cover its energy needs.

The accord also calls for Pyongyang's promise to freeze and eventually dismantle its nuclear energy program.

Due to a domestic budget cuts, however, Washington earmarked only $22 million in fiscal 1995 for the oil shipment and is now seeking the help of its partners in the Korean Peninsula Energy Development Organization (KEDO), an international consortium established to carry out the nuclear deal.

Kedo was formed in March 1995 to raise an estimated $4.5 billion to supply to North Korea with the two light-water reactors, which produce far less plutonium than other types of reactors. Plutonium is a key ingredient for nuclear weapons.

South Korea, a core member of KEDO, has rejected the U.S. request. It had indicated its intention to shoulder 75 percent of the costs to build the nuclear reactors in the North.

Tokyo decided to accept Washington's request for oil so as not to scuttle the nuclear pact aimed at allaying international concerns about Pyongyang's alleged push for nuclear arms, a Foreign Ministry source said.

Foreign Minister Yukihiko Ikeda has said Japan should adopt a realistic approach over the question of stopgap payments in close consultations with South Korea and the U.S.

Japan: DPRK Official Says 'No Problems in Rice Supply'

OW0702085896 Tokyo NIHON KEIZAI SHIMBUN in Japanese 7 Feb 96 Morning Edition p 3

[FBIS Translated Text] Kim Ung-yol, DPRK Committee for Promotion of External Economic Cooperation vice chairman, who is now visiting Japan, granted an interview to a NIHON KEIZAI SHIMBUN reporter in Tokyo on 6 February. Regarding reports on North Korea's worsening food situation, Kim denied the famine speculation by saying, "At this moment, we have no problems in rice supply." However, he indicated prospects for "huge shortages in the future." Then he stressed, "Japan is always worrying about what other countries think about rice aid."

While denying South Korea's view that the North is maintaining a large stock of rice for military purposes, the vice chairman pointed out, "There is a move to link rice aid to political affairs." With this, Kim criticized South Korea for complicating the rice issue with the resumption of the North-South Korean dialogues.

Japan: Spokesman Discusses DPRK, Asia-Europe Summit

OW0702023296 (Internet) Japan Ministry of Foreign Affairs WWW in English 2 Feb 96

[News conference by Japanese Foreign Ministry spokesman Hiroshi Hashimoto with unidentified reporters on 2 February; place not given; from the "Foreign Policies, Press Conference" link]

[FBIS Transcribed Text] [Topics of Discussion] I. Procurement of foreign products in government computer procurement II. Financial news services regulation by the People's Republic of China III. Asia-Europe summit preparations IV. Food aid to North Korea V. Visit to Japan by Secretary of Defense William Perry of the United States

I. Procurement of foreign products in government computer procurement

Foreign Ministry spokesman Hiroshi Hashimoto: Good afternoon, ladies and gentlemen. As you are aware, in 1994 the Japanese Government introduced the measures related to the Japanese public sector procurements of computer products and services and the procedures for government procurement of products. According to these measures, foreign products in government procurement have been continuously expanded, and it is to be desired that foreign firms become more and more familiar with these measures and continue to make full use of opportunities to participate in Japanese Government procurement. That is what I would like to explain to you at the outset of my briefing and I am ready to take any questions you may have.

II. Financial news services regulation by the People's Republic of China

Q: I would like to ask three related questions on the subject of the announcement that the People's Republic of China made last month regarding economic information business carried on in the People's Republic of China by non-People's Republic of China companies. The first question is, if you could please give Japan's reaction to a comment that United States Trade Representative Mickey Kantor made this week, saying that the People's Republic of China's clamps on the flow of financial information is of deep concern to the United States? The second question is, does Japan believe that these restrictions imposed by the People's Republic of China should or will affect the country's application to join the World Trade Organization (WTO)? The last question is, what does Japan believe will be the competitive or other impact on Japanese financial institutions operating in the People's Republic of China?

A: First of all, the Japanese Government considers that transparency on the People's Republic of China's economic situation should increase in the process of the country's modernization efforts. This is our basic stance. The Japanese Government knows that on 16 January, the Government of the People's Republic of China issued an edict which gives the Xinhua Agency sole authority over the release of economic information to the People's Republic of China by foreign news agencies and their related news organizations. However, this edict is full of abstract descriptions about new restrictions, and the scope of restrictions is not clear. Therefore, the Japanese

Government is now clarifying those points with the Government of the People's Republic of China. You asked whether the measures by the People's Republic of China will negatively affect the WTO negotiations. The Japanese Government has been conducting bilateral talks with the People's Republic of China on their participation in the WTO. But, as I explained to you, the Japanese Government is now clarifying the measures with the Government of the People's Republic of China, so until the details are known, the Japanese side would like to refrain from making an official comment as to what extent and how this will affect the negotiations of the People's Republic of China to participate in the WTO. In any case, liberalization of trade and services should be promoted under the WTO, and the WTO free flow of economic information should be established. I think the news agency services can be a subject of the negotiations between Japan and the People's Republic of China, but for the time being, this is not yet on the negotiation table. Your last question is related to the Japanese financial institutions and other private sectors. Up until now, the Ministry of Foreign Affairs has not received complaints from Japanese companies operating in the People's Republic of China. This is one point. The second point is, as I have explained to you, that the new regulations are rather vague, and we still do not know how the measures will be implemented in the People's Republic of China. It is difficult for us to predict what sort of affect will be made on the Japanese private sector operating in the People's Republic of China. In any case, as I told you, the People's Republic of China is continuously endeavoring for modernization, and it is very important for us to encourage this. In the process of modernization, the People's Republic of China should endeavor further to increase transparency regarding the economic situation in their country.

Q: At the APEC Ministerial Meeting in Kyoto on 16 and 17 February, what items will be proposed by Japan for this meeting?

A: I do not have information on the agenda for the Minister of Finance now. This is a continuation of the APEC process.

III. Asia-Europe Summit preparations

Q: Can you give us some idea of what kind of goals Japan might have regarding the Asian-Europe Summit coming up in Bangkok? Particularly regarding trade issues?

A: As you know, Minister for Foreign Affairs Yukihiko Ikeda is now in Phuket and meeting his counterparts on the Asian side. The Asia-Europe Meeting (ASEM) is very important for Japan. This is the first summit meeting between Asia and Europe. Now the ministers are working very hard on how and what the leaders and governments should talk about in March. We understand that, without setting a specific agenda, they will state their views about various issues they are interested in. There will be political dialog — it can include exchange of information and views about the security relationship or other related matters. Secondly, they could talk about economic cooperation in a broad sense. Thirdly, they could talk and exchange views about cooperation in other fields. They are going to issue a Chairman's declaration. It is premature for us to say what will be included in this declaration; but, in any case, this is the first occasion for the summit between Asia and Europe. This is probably not the occasion for them to decide something, but they will be very happy to touch on various aspects and deepen their mutual positions on various matters. This summit is not primarily related to the trade issue. Of course, we understand that the European side is interested in the development of APEC. For example, the Asian side may touch on this and explain to them the basic nature of APEC, based on open regionalism, and so on.

IV. Food aid to North Korea

Q: There seems to be a widespread skepticism among officials in both the United States and the Republic of Korea as to the validity of the reports of widespread famine and flooding in North Korea. Can you explain what the position of the Government of Japan is on whether you believe these reports are exaggerated? Do you believe them? Are you, in fact, planning to issue additional aid to North Korea?

A: When the tripartite meeting on the deputy vice-ministerial level took place in Hawaii, they exchanged views about the food situation in North Korea. Yes, there was a difference in analyzing the situation to some extent; however, those three countries shared the same views that the food situation is critical, but has not yet reached a stage where a famine has been caused by this. The Republic of Korea's views about the food situation may be different from that of the United States, but the difference is not very critical. In any case, the Japanese side does not intend to extend rice aid to North Korea. The same can be said in the case of the Republic of Korea. As far as the United States is concerned, they are now studying the possibility of extending aid to North Korea; however, they have not yet decided whether they will extend aid to North Korea or not. Even if they decide to extend aid to North Korea, it will not be as much as the Republic of Korea and Japan have provided before. The amount would be, seemingly, rather small. Basically, we do not find a very big difference in analyzing the situation in North Korea.

Q: So, the Government of Japan also believes that the situation is not at a famine stage yet?

A: Not yet.

Q: You said that you do not intend to extend aid right now, but have you discussed the issue of when and if you decide to extend aid, are you going to attach conditions to that aid, such as withdrawal from the Demilitarized Zone (DMZ) or inter-Korean talks, or anything like that?

A: I should have explained this to you in more detail. Last year, we extended rice aid to North Korea several times. As far as the second package is concerned, not all the rice has been shipped to North Korea yet. This is one point. The second point is that last year we had a stock of rice which was imported to Japan for emergency purposes, but because we have already used up the stock of emergency rice, we do not intend to extend rice aid to North Korea. The third point is that last December, the United Nations Department of Human Affairs (DHA) issued an appeal and Japan responded quickly by extending US$500,000 to North Korea. Apart from that, the DHA (or any other United Nations-related organization) has not issued any new appeals since that time. So, we are not in a position to send emergency aid to North Korea. If you talk about the economic cooperation in a general way, we think that it can only be studied under the negotiations on normalization between Japan and North Korea. But, unfortunately, negotiations have been stopped.

Q: So, in other words, you are requiring inter-Korean talks before Japan will resume its economic cooperation?

A: If you talk about economic cooperation, yes.

Q: What about the emergency aid? Will you attach similar conditions to that?

A: If we talk about emergency rice, first of all, we think that the situation over there has not reached a critical stage yet. Secondly, no United Nations organization or agency has issued a new appeal for aid. Thirdly, we have already used up the stock of emergency rice to be delivered to North Korea. Now, we are not studying the possibility of extending new emergency aid to North Korea.

Q: What is the state of the normalization with North Korea that Japan is trying to resume? Have there been any recent contacts?

A: Informally, we contact North Korea, and we have already stated many times that we are ready to resume talks. But, up until now, we have not received any concrete sign that they would like to do so.

Q: When was the last time informal contacts were made?

A: As far as informal contact is concerned, we do not publicize this. In any case, we have established communication.

Q: It is a popular saying that the ball is in the other court — it is up to North Korea.

A: Probably, it is not appropriate to say that the ball is on our court or their court, and so on. Both sides have already established contact, and if both sides can agree, we can resume the talks. In any case, as was the case in the past, when the two sides decide to conduct the formal negotiations, we always make an announcement, but still there has been no move.

Q: What do you think is the reason for the silence from the North Korean side? Why are they not responding?

A: What the Japanese Government has been saying is that without setting any preconditions, the Japanese side is ready to resume talks on normalization.

Q: Recently, there was a delegation from the ruling coalition that did go to North Korea. I am wondering if you received any briefing from them on that visit and what was discussed or accomplished?

A: Are you talking about House of Councilors Member Akiko Domoto's visit to North Korea?

Q: Yes.

A: She recently visited North Korea and was approached, presumably, by North Korean authorities, and was asked whether the Japanese side could extend new aid to North Korea. Councilor Domoto came back, and the Ministry of Foreign Affairs had a chance to be briefed by her on this subject. I understand the three ruling coalition parties met, and the other day they presumably said that the talks on normalization of relations between Japan and North Korea should be opened as soon as possible, but it seems that the Coalition parties, for the time being, will not send a delegation to North Korea. On the contrary, they are sending their delegations to the Republic of Korea.

Q: When is this?

A: Next week.

Q: So, the Coalition Government decided talks on normalization should begin as soon as possible, but there is no concrete schedule or timetable?

A: No.

Q: She was approached by North Korea and asked whether the Japanese side could extend new aid and, as you just explained, she said no, not at this time? How did she respond to that request?

A: We were briefed by her on her visit. The other fact is that the coalition parties met the other day. We do not know precisely what they talked about; but, what we know is that they say the talks on normalizations should begin soon. That is all. Therefore, I do not know how the coalition parties treat the message sent by Councilor Domoto.

Q: I see. Was the Government — the Ministry — in a position to tell Councilor Domoto that no, the Government of Japan is not wanting to consider aid at this point?

A: The Government itself has explained to her clearly about what we have done. We have explained to her that the so-called emergency supplies have disappeared, and so on.

Q: I just ask, because I hear that she appears to be appealing for aid for North Korea in her own private speeches, and so forth. Does this represent some sort of divergence in views on whether to give aid to North Korea between people like Councilor Domoto and people like Government of Japan Ministry of Finance officials?

A: I am not in a position to speak on her behalf. But, as far as the Government's position is concerned, I have already explained it to you. As far as the three coalition parties are concerned, what we know is they will dispatch a delegation to the Republic of Korea, but for the time being, we have not heard anything about their plans to dispatch a delegation to North Korea. I do not know how Councilor Domoto is dealing with these matters, but after we were briefed by her, I think she told her friends how she thinks the situation is in North Korea.

Q: A related question. Just let me clarify — North Korea has not yet loaded all the rice Japan offered last year?

A: Not yet.

Q: Why?

A: We do not know the reason, but in any case, this rice is shipped by North Korean Freight. Unless the North Koreans bring their ships to Japan, we cannot simply deliver the rice to North Korea. It is completely up to their plan. Whenever they come, we are ready to deliver the remaining rice to North Korea.

Q: How much remains? How much has been given and how much remains?

A: I do not have the data here. Later, we will let you know.

Q: I do not want to look like a bean counter, but obviously, this unloaded rice left in ports must be stored in warehouses or storage facilities. It costs money for storage — with warehouse fees, etc. Is the Japanese Government paying that?

A: No, I do not think so. What I can tell you about the rice given by the Japanese side is that when we extended aid to North Korea last year, we received information through the International Red Cross about the distribution. This is related to the 150,000 tons of grant aid to North Korea. Apart from that, the North Korean officials later gave explanations to our Japanese colleagues about the distributions. The cities which received the Japanese rice were clearly indicated in the document, but we do not know where they stocked the rice. What we know is where they have distributed rice.

V. Visit to Japan by Secretary of Defense William Perry of the United States

Q: There are reports that United States Secretary of Defense William Perry is visiting Japan before President Clinton visits. Could you clarify this and could you explain why this visit has suddenly popped-up on the diplomatic agenda?

A: The Ministry of Foreign Affairs knows that Secretary of Defense Perry intends to visit Japan just before President Clinton's visit. Today, we do not know when he will visit Japan. In any case, if Secretary Perry comes to Japan, it will contribute to a successful visit by President Clinton in April. The Japanese Government will welcome Secretary Perry's visit. That is the official stance of the Japanese Government. In addition to this, when Minister for Foreign Affairs Ikeda visited Washington, D.C. the other day, and had talks with United States Secretary of State Warren Christopher and Secretary Perry, Minister Ikeda understood that Secretary Perry is very responsible for solving the Okinawa base issues. In this sense, we welcome Secretary Perry's visit to Japan before President Clinton comes.

Q: At the last press conference, you explained that Minister Ikeda and Secretary Perry reconfirmed that the two governments are going to issue that joint security paper. This sudden decision on the part of Secretary Perry to visit Japan at that time — does it not mean that there is some need to once again reconfirm or dilute that January agreement between Minister Ikeda and Secretary Perry?

A: No, I do not think so. Both governments have already reconfirmed the importance of the security relationship between the two countries. The two governments intend to do so at the time of President Clinton's visit to Japan. Minister Ikeda told Secretary Perry and Secretary

Christopher in Washington, D.C. that when President Clinton comes to Japan, desirably, the two sides should give a specific direction in relation to the Okinawa base issues. He did not elaborate on what he meant by this. But, if this should be reflected in the joint paper to be issued in April, I think the two sides should endeavor to concretely talk about this (direction). In this sense, we simply welcome Secretary Perry when he comes to Japan — before President Clinton's visit. I think we should thoroughly prepare for his visit to Japan. Thank you very much.

Japan: Planned Mission to DPRK Concerns Foreign Ministry

OW0702015496 Tokyo EKONOMISUTO in Japanese 13 Feb 96 pp 16-17

[Unattributed article: "MOFA Displeased About Ruling Coalition Mission's Visit to DPRK"; from "Line Up" column]

[FBIS Translated Text] It seems that the ruling parties' basic stand of placing more emphasis on Japan-DPRK relations than on Japan-ROK relations remains unchanged, even under the Hashimoto cabinet. Observers say that behind the ruling parties' unchanged position is former Prime Minister Takeshita's manipulation. Japan-ROK relations, which had fallen to their worst level under the Murayama cabinet, are worsening further under the Hashimoto cabinet.

Actually, with the Hashimoto cabinet's inauguration, moves to extend rice aid and dispatch a ruling coalition delegation to North Korea have surfaced again. Meanwhile, the South Korean Government is increasingly wary of the Hashimoto administration's move.

Foreign Minister Ikeda has become a target of the ROK's criticism because he served virtually as chief secretary of the previous delegations, led by former Deputy Prime Minister Kanemaru and Mr. Kato [as published] respectively. Moreover, the Social Democratic Party, which has diplomatic channels to the Workers' Party of Korea and connections to the General Association of Korean Residents in Japan, is a member of the ruling coalition; and its General Secretary Wataru Kubo is the finance minister, a key position in the cabinet. Taking such factors into account, the South Korean Government is concerned that the Hashimoto administration will promote its diplomacy toward Pyongyang over Seoul's head, bypassing South Korea. Amid a domestic political confusion caused by former ROK presidents' financial scandals and in the face of the parliamentary election in April, the South Korean Government led by Kim Yong-sam seems to be getting more nervous about Japan's move. However, the Japanese Foreign Ministry does not want to worsen Japan-ROK relations any more and is trying to discourage the ruling parties from dispatching a delegation.

Tokyo Readying To Declare 200-Mile Zone With ROK, PRC

OW0602145396 Tokyo KYODO in English 1423 GMT 6 Feb 96

[FBIS Transcribed Text] Tokyo, Feb. 6 KYODO — Japan will set a 200-nautical mile exclusive economic zone off Japan's shores to prepare for ratifying a UN maritime treaty, government sources said Tuesday [6 February].

The government hopes to ratify the UN Convention on the Law of the Sea during the current Diet session, and will submit to the Diet by early March bills necessary for its ratification, the sources said.

At the same time, the government will try to promote bilateral negotiations with South korea and China over Tokyo's plans to establish a 200-mile zone and over islands which are the subject of territorial disputes, the sources said.

The negotiations are necessary because a 200-mile zone can be established based on a recognized territory, they said.

The islands in question are the Takeshima Islands in the Sea of Japan, which Japan and South Korea both claim and which are called Tokto by South Korea, and the Senkaku Islands, claimed by Japan and China and known as the Diaoyu Islands to Chinese, in the East China Sea.

Japan and China already began business-level talks on the issue late last year when then former Foreign Minister Yohei Kono visited China.

Japan also wants to start talks with South Korea when a mission of the ruling coalition visits Seoul later in the month, the sources said.

The 1982 UN treaty, which went into force last November, obliges all signatories to respect an exclusive 200-mile economic zone off a nation's coasts.

Within their zones, states have the exclusive right to fish or to exploit natural resources such as oil, reclaim land or construct artificial islands.

Japan: APEC Senior Officials' Meeting Starts in Manila

OW0702024696 Tokyo KYODO in English 0201 GMT 7 Feb 96

[FBIS Transcribed Text] Manila, Feb. 7 KYODO — Senior officials of the Asia-Pacific Economic Cooperation (APEC) forum buckled down to work Wednesday [7 February] and started mapping out a common format on how each of the 18 member economies will present their respective individual action plans (IAPS) in preparation for the APEC fourth leaders' summit in November.

APEC senior officials will attempt to structure the 1996 Manila Action Plan for APEC (MAPA '96), a comprehensive implementing guidelines that will push the 1995 Osaka Action Agenda and lay down the groundwork for the implementation of the 1994 Bogor Declaration to liberalize trade and investment by 2010 for industrialized economies and 2020 for developing economies.

The three-day meeting is the first of the four senior officials meetings (SOMs) to be held in the Philippines, APEC's current host nation, before APEC foreign and economic ministers meet to draft MAPA '96 which will be the basis of a declaration that will be issued by the APEC leaders at the end of the leaders' summit in Subic in November.

The first of the two days of SOM will be devoted to the Osaka Action Agenda and one day to organizational issues.

The senior officials are expected to come out with a report on Friday that will be the basis for the next SOM session in May.

The session will be followed by meetings of the committee on trade and investment (CT) and its subcommittees, the economic committee (EC), the eco-tech working groups and the experts from Feb. 9 to 15.

The senior officials are also expected discuss the issue on accepting new members since the moratorium is set to end this October after it was imposed three years ago in Seattle during an APEC ministerial meeting.

Among the topics to be discussed are ways of addressing the need for an APEC dispute mediation service, and ways to enhance APEC cooperation in the interrelated issues of population, food, energy and environment.

Earlier, the government hosted a ministerial meeting on human resources development. It will host similar ministerial conferences later this year on small and medium-sized enterprises and sustainable development.

APEC, a culturally and economically diverse group which accounts for some half of the world's trade, output and population, groups together 18 developing and developed economies. These are Australia, Brunei, Canada, Chile, China, Hong Kong, Indonesia, Japan, Malaysia, Mexico, New Zealand, Papua New Guinea, the Philippines, Singapore, South Korea, Taiwan, Thailand and the United States.

Japan: Vietnam Gives Bank Permission To Open Branch

OW0702052296 Tokyo KYODO in English 0450 GMT 7 Feb 96

[FBIS Transcribed Text] Hanoi, Feb. 7 KYODO — The Bank of Tokyo has received provisional consent to open up a branch office in Vietnam, a bank official said Wednesday.

Masahiro Tomita, the major Japanese commercial bank's chief representative in Hanoi, said the approval in principle, conveyed Tuesday by Vietnamese banking authorities, paves the way for the bank to open a branch in Ho Chi Minh City as early as mid-March.

While the Bank of Tokyo is the first Japanese bank to be given such an informal go-ahead, Fuji Bank is expected to get a green light soon to proceed with its plans to open a branch in Hanoi.

The opening of the branches, which will offer a broad range of commercial banking services, is expected to greatly facilitate the expanding business activities of Japanese investors in Vietnam.

So far, the State Bank of Vietnam has licensed 19 foreign banks to operate branches in Vietnam, including banks from France, Hong Kong, Thailand and the United States.

About a dozen Japanese banking institutions have opened representative offices in either Hanoi or Ho Chi Minh City since 1993.

Japan: 'Jusen' Loans Via Banks Become Nonperforming

OW0602144696 Tokyo KYODO in English 1401 GMT 6 Feb 96

[FBIS Transcribed Text] Tokyo, Feb. 6 KYODO — More than 90 percent of loans from seven ailing mortgage companies or "jusen" to borrowers introduced by their founding banks are now nonperforming, a senior Finance Ministry official said Tuesday [6 February].

Banking Bureau chief Yoshimasa Nishimura told the House of Representatives budget committee that 1.57 trillion yen or 91 percent of the 1.72 trillion yen in mediated loans from the seven companies are nonperforming.

Nishimura made the comment in reply to a question raised by an opposition lawmaker as the lower house committee continued intensive debate over a controversial government scheme to use 685 billion yen in taxpayers' money to help mop up losses resulting from the liquidation of the mortage firms.

The government Monday released lists of major borrowers from the seven housing loan companies and reports of on-the-spot inspections into the lenders, but did not reveal the portion of nonperforming loans in loans to borrowers introduced by the founding banks.

The scheme calls for the banks that set up the housing lenders to write off 3.5 trillion yen in claims against those firms, for other banks to write off 1.7 trillion yen in claims, and for agricultural cooperative-related financial institutions to provide 530 billion yen to the scheme.

In the intial stage of liquidation, the seven mortgage companies are expected to suffer combined losses of 6.41 trillion yen.

Opponents of the scheme say the financial burden of such agriculture-related institutions is too small given the fact that they are major creditors to the crippled mortgage firms, and in light of a memo exchanged between finance and farm ministry officials that has recently come under scrutiny.

Finance Minister Wataru Kubo acknowledged Monday that the 1993 memo was meant to guarantee repayment of 5.5 trillion yen in loans from the agriculture cooperative-related financial institutions.

Speaking before the lower house panel Tuesday, Kubo defended the relatively small financial burden of such agriculture-related creditors as reflecting the unequal responsibility for the jusen problem.

The opposition has been pressing the government to clarify how the financial burden of such agriculture-related entities was decided upon, as the scheme is widely viewed as a "deal" between the finance and agriculture ministries.

Speaking before the lower house panel Tuesday, Hidetaka Tsutsumi, chief of the Economic Affairs Bureau at the Ministry of Agriculture, Forestry and Fisheries, said some 30 of the 47 agricultural financial institutions nationwide will go into the red on a pretax basis due to the liquidation scheme.

But Tsutsumi refused to identify which institutions will go into the red or to disclose balance sheet data from such agricultural financial institutions despite being asked to do so by Takayoshi Taniguchi, a lawmaker from the main opposition Shinshinto (New Frontier Party).

The refusal brought committee debate to a temporary standstill as Taniguchi demanded the disclosure of specific information about financial conditions at such agricultural lenders.

The use of the taxpayers' money in resolving the jusen problem has been under fire from the general public since the government announced the scheme last December.

Under a separate plan, the government is also to use public money to make up for half of the secondary losses from the liquidation of the seven mortage firms as well as losses which a special vehicle to be set up to take over assets held by the seven companies may suffer in the future.

At Tuesday's committee session, Shinshinto's Taniguchi demanded an official government statement on why the government has to spend public money to help cover such secondary losses, noting a remark by a senior Finance Ministry official that all the secondary losses would be recovered.

Kubo said the 1.2 trillion yen secondary loss figure was arrived at on the assumption that only 70 percent of the mortgage firms' bad loans will be collected.

The special vehicle is to take over 6.78 trillion yen in claims left by the seven mortgage firms after their liquidation and is obliged to recover them by demanding repayments from borrowers and selling mortgaged properties over a 15-year period.

Japan: Diet Releases Data on Jusen's Loan Extending Stance

OW0702065496 Tokyo KYODO in English 0429 GMT 7 Feb 96

[FBIS Transcribed Text] Tokyo, Feb. 7 KYODO — New data made public Wednesday [7 February] by the Diet on the housing loan fiasco provided further evidence of the seven troubled mortgage companies [jusen]' loose lending stance.

The detailed report on loans extended by each of the mortgage companies to their top 50 borrowers shows the combined amount of such large-lot loans at the seven companies totals 4,405 billion yen, of which 4,171.2 billion yen, or 94.7 percent, are problem loans.

Of the problem loans, those identified as irrecoverable amount to 2,773.1 billion yen, accounting for 63.0 percent of the overall loans to the big customers, the report says.

The seven mortgage companies are expected to recover only a combined 1,073.1 billion yen by selling assets offered as collateral for loans, it says.

The government submitted the report to the Diet in the morning and the House of Representatives Budget Committee made the data public.

At a press conference, Kosuke Uehara, chairman of the committee, said, "the committee decided to make the report public since it is necessary to meet strong public calls for clarifying the actual situation of loans extended by the mortgage companies."

"Such a step is also necessary to deepen Diet debate on the housing loan fiasco," he said.

The figures made public Wednesday show that the outstanding balance of loans made by Nippon Housing Loan Co., one of the ailing mortgage companies, totals 899.3 billion yen, of which 850 billion yen worth are problem loans.

Of the firm's problem loans, 555.6 billion yen worth are identified as irrecoverable, with the amount to be collected through collateral sales estimated at only 214.3 billion yen, according to the data.

The government presented the report as the final part of additional materials demanded by the Diet for further disclosure of information on the bad loan issue.

At the end of December, the government decided to liquidate the debt-ridden mortgage companies, with taxpayers' money to cover some of the losses.

But the liquidation plan has drawn strong public criticism and become the focus of debate at the current Diet session.

The government unveiled a set of documents on the housing loan fiasco in late January.

But the Diet asked for further information, saying the documents released in January were not enough. In response to the Diet call, the government presented Monday the list of the top 100 borrowers at each of the mortgage companies and the outcome of the Finance Ministry's past inspections of those companies.

Japan: Penalty Sought for Borrowers Refusing Inspection

OW0602150796 Tokyo KYODO in English 1432 GMT 6 Feb 96

[FBIS Transcribed Text] Tokyo, Feb. 6 KYODO — The government has outlined a bill for the planned liquidation of seven failed housing loan companies, setting a penalty of up to 500,000 yen to be imposed on unprincipled borrowers who refuse inspections by loan collectors, government sources said Tuesday [6 February].

The penalty is to ensure collection of delinquent loans as much as possible, while approving authority for the planned loan-collecting organization to launch investigations into corporations or individuals who do not meet obligations, the sources said.

The bill stipulates that if any profits are earned through collecting delinquent loans, the loan-collecting body will return them to the national coffers through Deposit Insurance Corp., they said.

The government wants to make it clear in order to gain public understanding over the planned use of taxpayers' money for the liquidation scheme, the sources added.

The government aims to submit the bill to the Diet as early as Friday, and seek an early approval so that the ailing mortgage companies, or "jusen," can be liquidated within 15 years as planned, they added.

According to the bill, the government will establish the loan-collecting body as a joint stock corporation financed by Deposit Insurance Corp.

Deposit Insurance Corp. will also set up an emergency fund to which the government will give 680 billion yen from the national coffers.

The bill also stipulates that the government will shoulder half the losses to be incurred in the second stage of the liquidation program.

Meanwhile, private-sector financial institutions and those of the agricultural sector are required to establish a separate fund into which they will put their share of the financial burden.

Japan: LDP Seeks 'Jusen' Testimony From NFP Leaders

OW0702084396 Tokyo KYODO in English 0806 GMT 7 Feb 96

[FBIS Transcribed Text] Tokyo, Feb. 7 KYODO — The Liberal Democratic Party (LDP) on Wednesday filed requests with the House of Representatives Budget Committee for Diet testimony from leaders of the main opposition party, Shinshinto (New Frontier Party [NFP]), on the financial scandal involving moribund housing loan companies, called "jusen."

The LDP made the requests to the committee's steering panel, seeking testimony on the issue from former Prime Ministers Toshiki Kaifu and Tsutomu Hata, former Finance Minister Hirohisa Fujii and Shinshinto head Ichiro Ozawa, and three other party members.

The LDP also sought testimony from 14 others on the issue.

The party also called for testimony by Daisaku Ikeda, de facto head of the huge lay Buddhist sect Soka Gakkai, which supports Shinshinto, on the issue of the group's political activities.

Earlier in the day, the Social Democratic Party, the LDP's partner in the ruling coalition, made similar requests, demanding testimony from leading Shinshinto figures, as well as from the presidents of the seven failed housing loan companies and the major borrowers.

The jusen are subject to a government liquidation plan using taxpayers' money.

Japan: Hashimoto Reveals Political Donations From 'Jusen' Debtors

OW0702043196 Tokyo KYODO in English 0413 GMT 7 Feb 96

[FBIS Transcribed Text] Tokyo, Feb. 7 KYODO — Prime Minister Ryutaro Hashimoto told parliament Wednesday that he received political contributions from three debtors of housing loan companies or "jusen" which the government plans to liquidate using taxpayer's money.

The premier acknowledged receiving the money at a session of the House of Representatives Budget Committee.

Hashimoto backs a plan to use 685 billion yen in public funds to liquidate seven of the housing loan firms.

Opponents of the liquidation plan say the scheme is aimed at helping agricultural financial institutions in the hope of winning votes in rural areas in the next general election.

Hashimoto told the same budget committee Monday that the government plan is not meant to protect farmers and agricultural financial institutions.

"It is designed to avoid causing concern among depositors and, in principle, my view is not different from that of the former prime minister (Tomiichi Murayama)," Hashimoto said.

At the budget committee session, Hiroshi Yamada of the main opposition Shinshinto (New Frontier Party) said Hashimoto's fund-raising group received 1.05 million yen in 1990 from a company that borrowed money from Jyuso Inc.

Hashimoto responded by saying he will report to the committee after an investigation into the donation.

Hashimoto, who was serving as finance minister at that time, ordered financial institutions to restrict their lendings to real estate companies, a move that triggered massive lendings by Jusen mortgage firms, which were excluded from the government actions, to real estate firms.

Hashimoto also suggested at the session the government may supply public funds to credit unions that fall into serious financial trouble in the future.

Japan: Further on Hashimoto Donations From 'Jusen' Borrowers

OW0702121596 Tokyo KYODO in English 1154 GMT 7 Feb 96

[FBIS Transcribed Text] Tokyo, Feb. 7 KYODO — Prime Minister Ryutaro Hashimoto said Wednesday he has received political donations from three of major borowers from troubled mortgage companies, known as "jusen," which will be liquidated under a government scheme using at least 685 bil. yen in taxpayers' money.

"There have been no donations from a jusen, but there was a period in which I received donations from three of the top 100 jusen borrowers," Hashimoto told the House of Representatives Budget Committee session.

Hashimoto was replying to a question from Hiroshi Yamada, a member of the main opposition Shinshinto (New Frontier Party), about whether the prime minister had received political donations from the housing loan companies, whose initial losses will reach 6.41 trillion yen at the time of liquidation.

Yamada noted that a real estate management firm belonging to the F.V. Group, one of the top 100 borrowers from one of the seven mortgage companies, donated 1.05 million yen to Hashimoto's support group in 1990 when he was finance minister.

Hashimoto stopped short of identifying the three companies from which he got political donations, but the company named by Yamada, F.V.L., acknowledged it donated 1.05 million yen to the support group in 1990.

A spokesman for F.V.L. said the F.V. Group has not donated any other money to Hashimoto, and noted that he was not told the reason why the donation was made.

The F.V. Group owed 5.6 billion yen to Jyuso Inc., one of the seven mortgage companies, at the end of June last year, according to data released Monday by the Finance Ministry.

Speaking at the budget panel session, Chief Cabinet Secretary Seiroku Kajiyama promised to open a probe into whether Hashimoto cabinet members have received political donations from the housing lenders or their major borrowers.

An official for Hashimoto's office declined to disclose either the names of the three companies in question or the amount of political donations from them, saying Kajiyama promised to investigate all cabinet members concerning donations from the mortgage companies and their borrowers.

Another Shinshinto lawmaker, Tatsuya Ito, demanded the committee call former Prime Minister Kiichi Miyazawa for questioning before the body, noting that Miyazawa has said the use of taxpayers' money would have been avoided if the bad loan problem at the mortgage companies was settled properly.

The government's scheme has drawn fire from the opposition camp, mass media and the general public for using a large amount of taxpayers' money to help mop up losses stemming from the liquidation of the seven jusen companies.

The lower house budget panel began intensive debate over the scheme late last month after the cabinet formally endorsed a final plan to use taxpayers' money to cover half of any future losses resulting from disposing of bad loans at the mortgage firms. The additional loss is expected to reach 1.2 trillion yen.

Some opponents say the scheme is aimed at helping farm-related financial institutions in the hope of winning votes in rural areas in the next general election.

Such farm financial institutions are major creditors to the seven mortgage companies with the balance of loans to them standing at 5.5 trillion yen.

The government scheme calls for the banks that set up the housing lenders to write off 3.5 trillion yen in claims and for other banks to write off 1.7 trillion yen. It assures the repayment to farm financial institutions of their outstanding loans, and instead urges them to provide 530 billion yen to the scheme.

Japan: Keidanren Head Supports Public Funds for 'Jusen'

OW0702111496 Tokyo KYODO in English
1027 GMT 7 Feb 96

[FBIS Transcribed Text] Tokyo, Feb. 7 KYODO — Shoichiro Toyoda, head of the Federation of Economic Organizations (Keidanren), on Wednesday expressed his support for the planned use of taxpayers' money to liquidate troubled housing loan companies.

Unless public money is used, the bad loan problem of housing lenders [jusen] could force the Japanese economy to slip into a serious recession like the one in the late 1920s, Toyoda said.

He therefore urged lawmakers to calmly discuss the next fiscal year's budget, in which the use of public money is incorporated, and pass it as early as possible because this is expected to help support the economic recovery.

But Toyoda added it will be necessary for the government to explain clearly the reason why at least 685 billion yen of public money will be needed to help dispose of the seven housing lenders.

Touching on a possible breakup of the Finance Ministry, he said the government should not discuss a breakup of a specific ministry but promote a reshuffle of ministries and agencies from a broader perspective.

Japan: Impact of 'Jusen' on Hashimoto Government Viewed

OW0702060096 Tokyo KYODO in English
0515 GMT 7 Feb 96

["News Focus" by Mie Kawashima: "Controversy Over 'Jusen' Fiasco Shaking Hashimoto Gov't"]

[FBIS Transcribed Text] Tokyo, Feb. 7 KYODO — Public annoyance at plans to use at least 685 billion yen — and possibly more than 1 trillion yen — of taxpayers' money to liquidate seven housing loan companies is shaking Prime Minister Ryutaro Hashimoto's one-month-old administration.

Hashimoto compared the situation with the controversy over the Diet enactment in December 1988 of the 3 percent consumption tax. The people's anger is "even greater than at that time," the premier told reporters Jan. 31.

After the consumption tax began to be imposed on every purchase in April 1989, popular disapproval made itself felt in the House of Councillors election when the ruling Liberal Democratic Party (LDP), currently led by Hashimoto, lost its majority in the upper chamber.

On Monday, the government handed over to the Diet as required information on the troubled mortgage companies, called "jusen," following Finance Ministry inspections of the companies and the names of their top 100 debtors.

Other information demanded by the Diet — the financial situation of the top 50 debtors — was released Wednesday [7 February].

The government initially intended to release the information with the "good" debtors' names blanked out but finally disclosed them because of taxpayers' dissatisfaction at having their money pumped into the companies, which have gone virtually bankrupt due to huge unrecoverable loans to realtors.

The government released the data despite the administration's obligation of confidence to "swiftly gain public acknowledgment" of its liquidation scheme, said Chief Cabinet Secretary Seiroku Kajiyama, the top government spokesman.

The cabinet also asked the Diet for "consideration" of privacy, seeking to release the information at a closed-door parliamentary session, but the House of Representatives budget committee made all the data public.

Authorities seem to have shaken off some of their previous reluctance over disclosures, with Hashimoto telling reporters, "we have to release them to the limit as we are to use tax money."

But it is not likely that such information will soothe public irritation because the data suggests the Finance Ministry failed to prevent the situation at the mortgage companies from worsening despite its acknowledgment of their financial crisis following inspections in the 1991-1992 period.

The main opposition party Shinshinto (New Frontier Party) returned Monday to the lower house budget committee session, ending its boycott of the panel debate since the previous Tuesday over its demand that the government explain how it has calculated the 685 billion yen to be funded from the state coffers.

Shinshinto sources said the public was critical of the boycott, adding the party should join Diet discussions and seek to have those responsible held accountable.

Hashimoto assumed the premiership Jan. 11, taking over the former Prime Minister Tomiichi Murayama government's 75.1 trillion yen budget proposal for fiscal 1996 beginning April 1, including the 685 billion yen expenditure for jusen liquidation.

The 150-day Diet session, convened Jan. 22 primarily to discuss the budget plan, has so far been devoted to discussions on the 685 billion yen jusen account in the budget.

Cabinet ministers and government officials repeatedly stressed the need to implement the government liquidation scheme to restore stability and confidence in the Japanese finance system, but talks on "freezing" the jusen account have loomed since even before the Diet began discussing the matter.

Government spokesman Kajiyama told a press conference Jan. 16, "there is no change in the government's basic policy of proceeding with the liquidation plan, but the government has to consider the issue with an eye to the possible suspension of the use of taxpayers' money."

He retracted the remarks later in the day after leaders of the three ruling parties — the LDP, the Social Democratic Party and New Party Sakigake — promptly confirmed their stand to stick to the government scheme.

But proposals to rethink the plan have followed.

On Jan. 30, Sakigake Secretary General Yukio Hatoyama suggested there may be a possibility of reviewing the scheme if the public does not support it despite information disclosure and clarification of responsibility.

Former Prime Minister Noboru Takeshita of the LDP said in a Tokyo speech Jan. 31 that freezing of the jusen measure is feasible "in theory."

Takeshita apologized Feb. 1 to Kajiyama and Feb. 2 to LDP Secretary General Koichi Kato for the remarks, following rebukes from within the ruling camp.

Japan: Brokerages Launch Study on Holding Companies

OW0702065596 Tokyo KYODO in English 0614 GMT 7 Feb 96

[FBIS Transcribed Text] Tokyo, Feb. 7 KYODO — Japan's "big four" brokerages have launched a full-fledged study on ways to set up holding companies following a revision of the Antimonopoly Law, company officials said Wednesday.

The leading securities companies are Nomura, Daiwa, Nikko and Yamaichi.

The officials said the study is focused on the possibility of establishing holding companies through divestitures.

Under the method, retail and wholesale entities will be created by separating divisions in charge of individual and institutional investors respectively and will be placed under supervision of a holding company to be formed from their management and administrative sectors, the officials said.

The Fair Trade Commission earlier Wednesday submitted to the ruling coalition a draft of a bill to revise the Antimonopoly Law which would lift a ban on holding companies, except on those which are perceived to have an excessive concentration of business power.

Political sources said the bill to revise the law is expected to be submitted to the current regular session of the Diet for approval.

The stance by the four brokerages is substantially different from plans by major commercial banks to create holding companies in partnership with brokerage and life insurance affiliates, business sources said.

Senior officials of the Finance Ministry said the banks' plans will be impossible for the time being as collaboration between banks and brokerages will be banned under a new law.

The brokerage officials said they plan to map out a medium-term management program incorporating plans for holding companies this fall in consultations with the Finance Ministry.

Japan: FTC Files Draft of Holding Company Bill With Coalition

OW0702063696 Tokyo KYODO in English
0519 GMT 7 Feb 96

[FBIS Transcribed Text] Tokyo, Feb. 7 KYODO — The Fair Trade Commission (FTC) presented the ruling coalition Wednesday with the gist of a draft bill for effectively lifting a ban on holding companies, but some coalition lawmakers voiced reservations about it, political sources said.

A study panel under the antitrust watchdog proposed last year easing the holding company ban which was imposed after World War II to check the resurgence of "zaibatsu" business conglomerates which controlled the nation's prewar economy and financed its war machine.

The panel suggested the antimonopoly law be amended to authorize four types of holding companies, including concerns spinning off their business divisions to be left with head office functions.

But the FTC worked out a bill last month which is more ambitious than the panel proposal and limits the ban to apply only when a given holding company is feared to concentrate excessive business power.

The commission is seen to have stepped in that direction at the request of the Liberal Democratic Party — the largest member of the three-party coalition — and business circles, the sources said.

The move, however, angered the Social Democratic Party (SDP), a coalition partner, which was left out of the drafting process. The ruling coalition, formed by the LDP, SDP and New Party Sakigake [Harbinger], therefore began coordinating their position earlier this month and called for the FTC to come up with a new draft, according to the sources.

But the information which came out Wednesday did not look much different from the old FTC version and was promptly rejected by social democrats who argued for keeping holding companies banned in principle.

"The FTC and liberal democrats cooked up the proposal between themselves and call it a draft," said Seiichi Ikehata, a senior SDP member in the House of Representatives. "Such a draft is totally unacceptable."

The government and the LDP expect to win cabinet approval of the FTC draft by Friday.

Japan: Ruling Coalition Split Over Draft of Holding Firm Bill

OW0702101596 Tokyo KYODO in English
0929 GMT 7 Feb 96

[FBIS Transcribed Text] Tokyo, Feb. 7 KYODO — The ruling coalition is split over a draft bill presented Wednesday by the Fair Trade Commission (FTC) for effectively removing a ban on holding companies, political sources said.

At a panel meeting convened to discuss the draft among representatives from the three coalition parties, the Liberal Democratic Party (LDP), the largest force in the coalition, said the proposal is acceptable as a whole, the sources said.

But the Social Democratic Party (SDP) maintained that more discussions are needed, they said.

Currently, the establishment of holding companies is totally banned.

The FTC-drafted bill envisages limiting the ban to apply only when a given holding company is feared to concentrate excessive business power. It also requires a holding firm to submit a report to the antitrust watchdog if its total assets exceed 500 billion yen.

Taking the proposal as the effective liberalization of holding companies, panel members of the LDP called for clarifying the basis of the 500 billion yen limit, according to the sources.

SDP lawmakers, however, demanded the maintenance of the ban in principle, stressing that unchecked liberalization of holding companies would revive "zaibatsu" business conglomerates which controlled Japan's prewar economy and financed its war machine.

The SDP members also warned that the draft bill would have unfavorable effects of working conditions at companies owned by holding firms, the sources said.

The coalition, which also includes New Party Sakigake [Harbinger], is required to submit bills to amend the antimonopoly law to the Diet by Friday in order to win approval for the removal of the ban during the current session.

But if the LDP and SDP fail to iron out their differences by then, the question of permitting holding companies may be postponed, the sources said.

Japan: Article Views Organized Crime Involvement in Bad Loans

OW0702052196 Tokyo KYODO in English
0440 GMT 7 Feb 96

["News Focus" by Mutsuo Fukushima: "Banks May Forgive Loans to Mob-tied Property Developers"]

[FBIS Transcribed Text] Tokyo, Feb. 7 KYODO — As the government tries to clean up the financial mess left behind by the failure of the country's housing loan companies, the Japanese mafia is turning the screws to have banks give up their loans to property developers linked to the mob.

Companies controlled by gangsters, which participated in land speculation in the credit frenzy of the "bubble" economy, are now blocking foreclosures on mortgages and seizure of collateral they offered in taking out their loans, on which they later defaulted, real estate experts say.

They are not alone. "Straight" corporations unable to repay their huge debts owed to failed housing loan companies have also learned the value of having the heavies around when the banks' loan-collecting agents come to call.

Many such companies, they say, have secretly asked mobsters to move into their mortgaged buildings as tenants and pressure banks not to apply for court decisions to initiate mandatory seizure proceedings.

These mob-linked companies have become brazen in refusing to pay back overdue principal and interest on their debts or have held their monthly repayments to amounts far below those originally contracted.

Such companies can pretend to be acting in good faith, but while feigning near insolvency they may in fact be awash with hidden cash from previous loans and continuing inflows of tenant revenue, the experts say.

"Japanese authorities should not allow companies that are in cahoots with gangsters to shirk their obligations to repay or prevent their mortgaged properties from being foreclosed on by lenders," says Hitoshi Yamada, a lawyer of the anti-organized crime measures committee of the Japan Federation of Bar Associations.

An article under Japan's civil law stipulates that the holder of a lease on a building of up to three years can reject a demand from the mortgagee to vacate the building which is to be forfeited, even when the lease was signed after it was mortgaged.

Lawyer Hideki Matsushima, who has represented creditors in cases against unscrupulous or violent tenants, says the article's rationale is to protect innocent tenants from greedy mortgagees.

"But mobster groups have learned to abuse the article by securing leases on mortgaged properties on which debtors are defaulting," he says.

In another sleazy practice meant to block foreclosures, some real estate companies — now nearly insolvent following the bursting of the bubble in the early 1990s — have invited gangsters to sit on the board to scare off banks that might seek court injunctions and help them forfeit the collateral.

With banks suitably frightened, such realtors need only wait out the statute of limitations on debt repayment — five years under Article 522 of the commercial code — with the countdown starting when a debtor first defaults on a periodic loan repayment.

Japanese laws empower such beleaguered creditor banks to have a court evict such intimidatory "occupiers," and give the court the authority to order the mortgaged properties auctioned off.

Once a property is auctioned off, there are laws which empower the new owner of the property to file suit against the "squatters" to force them to leave.

The law obligates a court to send enforcement officials to the mortgaged property occupied by the unwelcome tenant to establish the veracity of the tenant's claimed business purpose. If the officials sense that tenants might resist eviction, the court can have police forcefully drag them from the property.

"There has not been even a single case where mobsters resisted violently, when police accompanied a court enforcement official in ordering them out of the property," Yamada said.

Gangsters' strategy is to simply drive down the value of the property by their presence and then participate in the auctions themselves to win the property for a song.

And as the presence of gangsters tends to frighten independent would-be bidders from joining the auctions, banks must have their own affiliates bid for the properties at prices perhaps some 30 percent higher than the "minimum" dictated by the court, to outbid the gangsters who will bid fire sale prices, Yamada said.

What threatens to undermine the Japanese economy is the choice by many banks and mortgage lenders not to ask courts to initiate these auction-and-eviction proceedings, said Takatsugu Nato, a professor emeritus at Nihon University.

Because the statute of limitations on debt repayment runs out in five years, such choices amount to presenting mob-linked companies with tens of trillions of yen worth of "unmortgaged properties" on which lenders have abandoned claims, Nato and Yamada say.

Those mob-controlled companies naturally continue providing protection money to gangsters, helping them getting "funds to expand their influence in Japanese business and political circles," Yamada said.

"It is most important to prevent the mob from benefiting from the taxpayer-funded liquidation plan for the mortgage lenders by enacting a clause obligating banks to invoke their right to initiate court-supervised auction-eviction proceedings," he said.

Prime minister Ryutaro Hashimoto has repeatedly told the Diet that the government will invoke measures stipulated in both civil and criminal law to collect loans owed to mortgage lenders. He has also vowed to seek the help of police and prosecutors in collecting debts from shadowy debtors.

But there has not been any official mention of a plan to mandate court-supervised auction and eviction proceedings.

And lawyer Yamada noted police and prosecutors can only arrest and prosecute gangsters on criminal charges, but cannot forcefully collect any loans on which the mob-linked companies have defaulted — the domain covered only by civil laws.

This is because Japan's criminal code and other usual legal weapons of police and prosecutors do not include a clause empowering them to confiscate the assets of companies which are defaulting on debts, even if they are linked to gangsters, he said.

North Korea

DPRK: Commentary Calls ROK-U.S. Agreement on SOFA 'Useless'

SK0702021996 Pyongyang Korean Central Broadcasting Network in Korean 1223 GMT 1 Feb 96

[Commentary by Yun Pyong-son: "The Farce of Agreement Which Cannot Produce Anything"]

[FBIS Translated Text] According to a report, a so-called working negotiation was held in Washington on 31 January between the United States and the South Korean puppets to revise the so-called the Status of Forces Agreement [SOFA].

The report says that the United States and the South Korean puppets agreed that the South Korean side can take into custody soldiers of the U.S. Forces in South Korea who committed a felony, such as homicide, robbery, and rape, in the investigation stage prior to indictment. The report also says that the two sides reconfirmed the agreement they had reached around the end of last year that the South Korean side can take into custody ordinary criminals who have not committed a felony in the indictment stage.

In other words, the puppets can take into custody and investigate all the U.S. soldiers who committed a crime in South Korea, according to the report. Although the puppets, who have no independent rights, are making a fuss that they have agreed on something with the U.S. masters, it is useless and worthless.

In South Korea, a large number of major crimes is committed by U.S. soldiers every year, and the South Korean people have to shed blood because of the crimes, but the South Korean puppets cannot investigate or punish the U.S. Army criminals. This is not because there is no agreement. It is because the Kim Yong-sam ring, the thorough colonial stooges holding the U.S. masters in high esteem, cannot exercise any rights.

There is no reason to anticipate that U.S. soldiers' crime will decrease or disappear in South Korea because the United States and the South Korean puppets reached some agreement.

As you know, the U.S. Forces in South Korea are occupiers and rulers, and South Korea is a thorough U.S. colony. The Americans even do not think South Korea as important as one of the U.S. states. They feel contempt for and despise the South Korean people as an inferior race. They have occupied South Korea for over half a century, and posing as masters, they are habitually engaged in all sorts of tyranny and violence, such as homicide, robbery, and beatings.

Moreover, crimes committed by the U.S. imperialist aggression forces are encouraged still more by the acts of protection and defense of the colonial stooge Kim Yong-sam traitorous ring, which is as fierce as a group of wolves against the fellow countrymen but flatters the masters like a shaggy dog.

Instead of punishing the U.S. Army criminals, the puppets hand over them to the U.S. Army side without even being able to touch their downy hair. Furthermore, the puppets distress those who accuse U.S. soldiers for committing a crime. The puppets go so far as to instruct the press not to report U.S. Army crimes, thus suppressing the freedom of the press.

When the unwelcome guests who came to a foreign country are habitually engaged in tyranny and violence and are posing as masters, while the Kim Yong-sam ring is flattering them and subservient to them playing the role of a cat's paw, no change is expected even if the SOFA is revised and an agreement is reached 10 times and 100 times.

This is proven by the fact that although the two sides agreed around the end of last year that the South Korean side will take into custody ordinary criminals in the indictment stage, a U.S. soldier, who was being investigated by the puppet police on charges of committing violence against an innocent woman, escaped from South Korea without being noticed with the help of the U.S. military police.

As long as the Kim Yong-sam ring—the filthy colonial stooge and the filthy and ugly pro-U.S. flunkeyist traitor—is in power, U.S. Army's crime cannot be stopped in South Korea. The so-called agreement between the United States and South Korea is a mere scrap of paper which is useless.

Although the puppets rave that they gained something at their conference with their masters, it is a tactic aimed at deceiving and ridiculing the South Korean people who are launching the anti-U.S. and antigovernment struggle.

To rid South Korea of all sorts of crimes committed by the U.S. Army, the flunkeyist traitorous ring like the Kim Yong-sam ring—the weak-kneed ring which flatters and is subservient to foreign forces and encourages, protects, and defends their tyranny and barbarity—should be removed.

The South Korean people, who are aware of this from their life experience, will wage a more vigorous anti-U.S. and antipuppet struggle to restore the national dignity and right of independence which they are deprived of.

DPRK: ROK Arms Buildup Creating 'Hair-Trigger Situation'

SK0602134396 Pyongyang KCNA in English 0942 GMT 6 Feb 96

[FBIS Transcribed Text] Pyongyang, February 6 (KCNA) — Recently, the South Korean puppet Defense Ministry made public a "mid-term defense program," which envisages that 111,540 million [111.54 U.S. billion] dollars will be appropriated for five years from 1997 to 2001 to update naval and air force equipment and purchase information-gathering facilities and missile equipment.

According to the "program", of the amount 30 billion dollars will be used for "increasing of defense capacity" including introduction of military equipment. It means an annual appropriation of six billion dollars.

The figures clearly show that the South Korean puppets' arms buildup have already overstepped the limit and entered preparations of a total war.

The South Korean puppet Armed Forces have already been on an unprecedented "alert" and main combat divisions and reserve units have rapidly been deployed in forward areas along the Military Demarcation Line, while a U.S. aircraft carrier, nuclear-powered submarine and strategic bombers have been deployed around the Korean Peninsula and a new "military operation" system established to cope with a war.

Large-scale military manoeuvres have taken place almost every day in place of the joint military exercises Team Spirit and many tanks, submarines, anti-submarine patrol planes and other offensive combat equipment have been brought into South Korea.

Such moves of the South Korean puppets have put the peninsula in a hair-trigger situation.

Their arms buildup gives a signal for arms race in the Northeast Asian region.

With the cold war terminated, the world is tending towards detente and disarmament.

At this time, the puppets have escalated arms buildup, sparking deep concern among neighbouring nations and increasing the possibility of arms race.

The "program" mirrors their intention to justify their war preparations against the North and "unify the country under the liberal democratic system" at any cost.

Motivated by the design to "unify the country by prevailing over communism" by force of arms, the puppets plan to purchase or manufacture such attack equipment as surface-to-surface missile, multiple rocket launcher, 4,000-ton destroyer, submarine, unmanned attack aircraft and helicopter gunship for five years.

Due to their unprecedented arms buildup, the North and the South of the Korean Peninsula have been enveloped with an atmosphere of serious confrontation and cold war and endangered by possible hot war.

The Kim Yong-sam group must be mindful that "unification by prevailing over communism" is unattainable and this goal of theirs will result only in dropping the curtain on the colonial fascist rule in South Korea.

DPRK: NODONG SINMUN Decries Kim Yong-sam's Security Emphasis

SK0702042996 Pyongyang KCNA in English 0419 GMT 7 Feb 96

["Kim Yong-sam Regime To Intensify Suppression of Workers" — KCNA headline]

[FBIS Transcribed Text] Pyongyang, February 7 (KCNA) — The traitor Kim Yong-sam recently invited "security-related prosecutors" throughout South Korea to a dinner at "Chongwadae [presidential offices]" and instigated them to "severely deal with those harmful to security" and "rid industrial establishments of illegality and violence" with the "parliamentary elections" approaching.

Commenting on the fact, NODONG SINMUN today views what he said as a repressive instruction to bind the people more tightly to the fascist, coercive order on the plea of "security" so as to ensure a landslide of the "New Korea Party" in the "elections" and harshly suppress the workers' march-April struggle for higher payment, calling it an "illegal and violent act."

The paper says:

Brutally suppressing democratic forces against them under the pretext of "security" is the old game played by the puppets each time they find themselves in a serious ruling crisis.

The traitor's crying for "elimination of illegality and violence" in industrial establishments is nothing but an instruction to crack down on workers calling for vital rights and democracy by dint of fascist law and bayonets.

By issuing such a repressive instruction, the traitor fully revealed that he is the bitterest enemy of the working masses.

He is now trying hard to get out of the wood over the slush fund scandal, but to no effect.

DPRK: UN Human Rights Report Urges Japan To Pay 'Comfort Women'

SK0702033296 Pyongyang KCNA in English 0257 GMT 7 Feb 96

["Japan Urged to Pay State Compensation to 'Comfort Women for the Army'" — KCNA headline]

[FBIS Transcribed Text] Pyongyang, February 7 (KCNA) — The UN Commission on Human Rights on Feb. 5 urged the Japanese Government to pay state compensation to the "comfort women for the army," according to a report.

The commission is probing the truth behind the "comfort women for the army" who were forced into sexual servitude by the Japanese army during World War II.

A report published by the commission said that though the Japanese Government is seeking to put an end to the problem of the "comfort women for the army" with compensation to individuals through a private fund, this is designed to escape from legal liabilities.

The "comfort stations" established by the old Japanese army were a violation of the international law prohibiting sexual slavery, the commission said, urging the Japanese Government to apologize to the victims, pay state compensation without delay and punish those involved in management of the "comfort stations" at that time.

DPRK: Kang Song-san Sends Sympathy Message to PRC's Li Peng

SK0602145096 Pyongyang KCNA in English 0944 GMT 6 Feb 96

[FBIS Transcribed Text] Pyongyang, February 6 (KCNA) — Kang Song-san, premier of the Administration Council, sent a message of sympathy to Li Peng, premier of the State Council of the People's Republic of China, in connection with the losses of life and property by a strong earthquake in the northwestern area of Yunnan Province of China.

The message extended deep sympathy and consolation to the government of the PRC and the people in the quake-striken area.

It expressed the belief that the people in the afflicted area would recover from the damage at an early date and stabilize their living under the leadership of the party and Government of China led by Comrade Jiang Zemin.

DPRK: Chinese Party Delegation Arrives for Visit

SK0602144796 Pyongyang KCNA in English 0945 GMT 6 Feb 96

[FBIS Transcribed Text] Pyongyang, February 6 (KCNA) — A delegation of the International Liaison Department of the C.C. [Central Committee], the Communist Party of China led by its deputy head Dai Bingguo arrived in Pyongyang today.

The delegation was met at the airport by Kim Yang-gon, vice-director of a department of the C.C., the Workers' Party of Korea, and Qiao Zonghuai, Chinese ambassador to the Democratic People's Republic of Korea.

DPRK: Peregrine-Taesong Development Bank Opens 6 Feb

SK0702040396 Pyongyang KCNA in English 0301 GMT 7 Feb 96

["Peregrine-Taesong Development Bank Commissioned" — KCNA headline]

[FBIS Transcribed Excerpt] Pyongyang, February 7 (KCNA) — The Peregrine-Taesong Development Bank, a joint venture bank of the Korea Taesong Bank and the Hong Kong Peregrine Holding Company Ltd., has just been commissioned.

The joint venture bank will invest in the construction of the infrastructure of the Najin-Sonbong free economic and trade zone and will be in charge of banking service for businesses in the zone.

The opening ceremony of the bank took place in Pyongyang on February 6.

Present there were Yi Hong, president of the Korea Taesong Bank, and other officials concerned and members of a delegation headed by Alan Mercer, director in charge of regulations of the Hong Kong Peregrine Holding Company Ltd. [passage omitted]

DPRK: Military Leaders Attend Palestinian Envoy's Party for Kim Chong-il

SK0702041196 Pyongyang KCNA in English 0259 GMT 7 Feb 96

[FBIS Transcribed Text] Pyongyang, February 7 (KCNA) — Palestinian Ambassador to Korea Shahir Mohammed [name as received] gave a party on Tuesday on the occasion of the birthday of the great leader Comrade Kim Chong-il.

Invited to the party were Kim Kwang-chin, first vice-minister of the People's Armed Forces, Colonel General Pak Chae-kyong and other generals and officers of the Korean People's Army.

Speeches were exchanged at the party.

DPRK: Memorial Service Held for Head of Pomminyon Overseas Group

SK0702120396 Pyongyang KCNA in English 0739 GMT 7 Feb 96

[FBIS Transcribed Text] Tokyo, February 5 (KNS-KCNA) — A memorial service was held at the overseas headquarters of the National Alliance for the Country's Reunification (Pomminnyon) in Tokyo on February 5 for Yim Chang-yong, chairman of the Pomminnyon Overseas Headquarters.

Present there were vice-chairmen of the Pomminnyon Overseas Headquarters, chairmen of the Pomminnyon Regional Headquarters and Koreans in Japan.

Yim Min-sik, director of the Secretariat of the Pomminnyon Overseas Headquarters, in the memorial address said that Yim Chang-yong had long conducted activities for independence, democracy and reunification against the military fascist dictatorship in South Korea, holding important posts of overseas Koreans movement organisations, and he took an active part in the movement of Pomminnyon for national unity and national reunification as chairman of the Pomminnyon overseas headquarters old as he was.

Though he passed away, Yim Min-sik added, the feats he performed for the country and the nation, will remain long.

DPRK: Kim Chong-il Builds WPK Into Party of Kim Il-song

SK0602145196 Pyongyang KCNA in English 0936 GMT 6 Feb 96

["Historic Feat in Creditably Realising Leader's Cause of Party Building" —KCNA headline]

[FBIS Transcribed Text] Pyongyang, February 6 (KCNA) — The greatest historic exploit of respected Comrade Kim Chong-il is that he has strengthened and developed the Workers' Party of Korea into the party of the Great Comrade Kim Il-song.

NODONG SINMUN stresses this in an article today.

Comrade Kim Chong-il is the builder and leader of the WPK, who has long since wisely led the historical cause of building it into the party of Comrade Kim Il-song, upholding the revolutionary banner of the chuche idea, the paper says.

It quotes Comrade Kim Chong-il as saying:

"As I have always said, the working-class party must become the party of the leader."

The authors of the article say:

It is Comrade Kim Chong-il who clearly indicated how to build the leader's party, fundamentally renewed the looks of the party so that the idea and guidance of the leader can be ensured, and laid a solid foundation for adhering to its revolutionary character through generations.

The course of victory and glory covered by the WPK as the party of the leader is associated with Comrade Kim Chong-il's leadership, and its invincible might and high prestige are inseparable from his August name.

The great feat performed by Comrade Kim Chong-il in building the party of the leader is that he has turned the WPK into a party based on the singlehearted unity of loyal and devoted subjects, who hold Comrade Kim Il-song in high esteem as the eternal leader and teacher for all ages.

The WPK is the only one which upholds its leader with loyalty and firmly adheres to the exploits of the leader no matter how much water may flow under the bridge and how the world situation may change. The WPK is never separable from the August name of the leader.

The immortal achievement performed by respected Comrade Kim Chong-il in building the leader's party is that he made our party into Comrade Kim Il-song's party, which fully resembles his idea, leadership and virtues.

The only idea of the WPK is the revolutionary idea of Comrade Kim Il-song and its spirit is the revolutionary spirit of Mt. Paektu created by him and its leading method is his work method.

The WPK is indeed the embodiment of the idea, leadership and virtues of Comrade Kim Il-song.

The WPK mirrors his noble image and its flag mirrors his sacred life.

The revolutionary character of the WPK, which takes after Comrade Kim Il-song 100 percent, will never change.

The immortality of the fatherly leader Comrade Kim Il-song is surely guaranteed and his cause will be accomplished, for Comrade Kim Chong-il made the WPK the leader's party.

The immortal exploit of Comrade Kim Chong-il for the times and revolution is that he has built the leader's party so that the revolution may be continued steadily.

DPRK: Kims Show 'Noble Morality' Toward Soldiers

SK0702120596 Pyongyang KCNA in English 0759 GMT 7 Feb 96

[FBIS Transcribed Text] Pyongyang, February 7 (KCNA) — Noble morality shown by the Great Leader President Kim Il-song for the revolutionary soldiers is now a precious tradition of our revolution.

The Great Leader Comrade Kim Chong-il said:

"In our country the tradition of communist morality was created in the flames of the anti-Japanese revolution. It has been carried forward and splendidly put into effect through the struggle to build a new society."

President Kim Il-song set an example of noble morality for the revolutionary soldiers and added lustre to it from the first days when he embarked upon the road of revolution. His noble morality is based on warm loving care for them.

He valued and cared for them as their father would do, during the anti-Japanese revolutionary struggle. He felt bitterer grief than anyone else over the death of Yi Kwang, O Chung-hup and other fighters who remained unfailingly loyal to the restoration of the country and the revolution. And he wrote memorial addresses for the late Choe Kyong-hwa and other beloved soldiers and made sure that their names would be handed down to posterity.

He took good care of the bereaved children of the revolutionaries as their parents would do after the liberation of the country, too (August 15, 1945).

He dispatched officials to different places at home and abroad to find out the bereaved families and children of the fallen revolutionary comrades-in-arms and built schools for the bereaved children. Therefore, many bereaved children were embraced by him.

When anti-Japanese revolutionary fighters Kim Chaek, Pak Tal and other revolutionary soldiers died, President Kim Il-song personally carried the coffins of the deceased. He took very good care of old Yom Po-pae and O Tae-hui, who were the bereaved family members of the fighters, as their sons would do. When Chang Kil-pu, mother of a revolutionary martyr, died, he did what her son should do at the funeral.

He received the bereaved families of the anti-Japanese revolutionary martyrs on June 20, 1992, and highly appreciated the brilliant feats of the fighters. Whenever he met with the bereaved families of the martyrs, he told them that they should successfully accomplish the revolutionary cause of chuche pioneered in the thick forest of Mt. Paektu, remaining loyal to the leadership of Comrade Kim Chong-il.

He received anti-Japanese revolutionary fighters Yi Chae-tok, Kim Son and So Sun-ok residing overseas, a U.S.-resident Korean Son Won-tae, Hu Zhenyi and other persons related to the anti-Japanese revolutionary struggle, children of Yi Kwan-in, Zhang Weihua and Shang Yue and other bereaved families from April 1992 to June 1994 and showed them deep loving care and solicitude.

He built a cemetery for the fallen anti-Japanese revolutionary fighters and saw to it that memorial services for them took place. And he made sure that the statues of fighters were erected and cities, schools and working places were named after fighters.

His noble communist morality for the revolutionary soldiers has become the tradition of our revolution and is in full bloom thanks to Comrade Kim Chong-il.

DPRK: Moscow Chuche Seminar Holds Socio-Political Workshop

SK0702112296 Pyongyang KCNA in English 0442 GMT 7 Feb 96

[FBIS Transcribed Text] Moscow, February 6 (KCNA) — The International Seminar on the Chuche Idea for Independence, Peace and Friendship continued in Moscow on February 4 and 5.

The socio-political workshop was held on these days.

Nelson T. Mawema, director of a department of the Central Committee the Zimbabwe African National Union-Patriotic Front and director of the Board of the International Institute of the Chuche Idea [IIJI], made a report on the subject "International Political Order Based on Democracy" at the workshop on February 4.

Garib Newaz, president of the Bangladesh People's League and director of the Board of the IIJI; Jose Rafael Nunez Tenorio, professor of the Central University of Venezuela and director of the Board of the IIJI; professors of Moscow State University of Russia and other figures took the floor.

The speakers made a detailed analysis of the essence of the man- centred politics which was indicated by the chuche idea from a new angle for the first time in history. Politics should become politics for man, the people's politics which serves them, they noted.

The genuine politics for the popular masses has been enforced in the Democratic People's Republic of Korea and today the Korean people are fully enjoying a really worthwhile and happy life thanks to the benevolent politics of the Great Leader Comrade Kim Chong-il, they said. "Socialism will be restored on the worldwide scale without fail and humanity will live in a man-centred new world thanks to the persistent struggle of the people inspired by the chuche idea."

Georgi Rachev, a reporter of the Bulgarian paper Tribuna and chief of the Bulgarian group for the study of the chuche idea, made a supplementary report on the subject "Self-Sufficiency in Economy and International Economic Cooperation" at the socio-political workshop on February 5.

He said that the chuche idea is a great idea which gave a profound and scientific exposition of the co-relations between the building of the independent national economy and the international economic cooperation.

The validity and originality of the chuche-based economic theory are that the chuche idea provided a theoretical and practical weapon to successfully develop the economy of all countries by giving a profound and scientific exposition of the co-relations between self-sufficiency in the economy and international economic cooperation.

Then followed speeches which analyse from the chuche point of view different political and economic questions arising in the present era.

The speeches were made by Hiroharu Seki, honorary professor of Tokyo University of Japan and director of the Board of the IIJI; Sergio Rubens, deputy secretary general of the October 8 Revolutionary Movement of Brazil; Pavel Bilevski, editor-in-chief of the Russian paper Bumbarash and secretary general of the Moscow Youth Association for the study of the chuche idea; Ivan Gobozov, professor of Moscow State University; Tatiyana Khabarova, leader of the Bolshevik Program Group of the Communist Party of the Soviet Union; Yi Sang-chol, director of the Propaganda Department of the Central Committee of the National Democratic Front of South Korea; Gennadiy Berdyshev, professor of Kiev University of Ukraine and vice-chairman of the Ukraine-DPRK Association; C.P. Mainali, permanent member of the Central Committee of the Nepal Communist Party (United Marxism-Leninism) and member of parliament of Nepal; L.A. Pablovich, secretary of the Central Committee of the All-Union Communist Party of Bolsheviks and vice-chairman of the Belarussian Regional Committee of the Party; and other delegates.

They stressed: In Korea today the economy has been developed constantly not affected by any change of the international situation and economic upheaval, the people's life stabilized and economic exchange with foreign countries developed on the principle of equality and mutual benefit. This is entirely thanks to the wise leadership of Dear Comrade Kim Chong-il, who put forward the original theory on the building of an independent national economy and international economic cooperation and is leading the struggle to successfully carry it into effect.

In order to restore socialism in the economic sector, it is necessary to thoroughly apply the chuche-based theory on the economy that comprehensively indicates the principle and ways of building the socialist economy, they said.

DPRK: Kim Chong-il Receives Gifts From Chuche Seminar Delegates

SK0702035996 Pyongyang KCNA in English 0252 GMT 7 Feb 96

[FBIS Transcribed Text] Moscow, February 6 (KCNA) [dateline as received] — The great leader Comrade Kim Chong-il received gifts from participants in the international seminar on the chuche idea for independence, peace and friendship held in Moscow.

They are delegations and delegates from different countries and international organisations.

The gifts were handed to secretary of the Central Committee of the Workers' Party of Korea [WPK] Hwang Chang-yop, who is heading the WPK delegation, on Feb. 5.

DPRK: Kim Chong-il Receives Letter From Moscow Chuche Seminar

SK0702121596 Pyongyang KCNA in English 0513 GMT 7 Feb 96

[FBIS Transcribed Text] Pyongyang, February 7 (KCNA) — The great leader Comrade Kim Chong-il received a letter from the participants in the international seminar on the chuche idea for independence, peace and friendship in Moscow.

The letter dated February 5 says that the seminar was an international gathering of great significance, which confirmed that the historical transition from the old world of domination and subjugation to an independent, peaceful new world, a man-centred new society, is inevitable.

The seminar gave the people firm conviction that the chuche idea, the man-centred world outlook, is, indeed, the most correct guiding idea for humankind to overcome all difficulties and successfully build an independent, new world, a man-centred new society, in the present era, the letter says.

The high ideological and theoretical level of the seminar, it notes, was guaranteed by the outstanding ideo-theoretical activities of His Excellency Esteemed Kim Chong-il.

It says that the recent famous works of His Excellency Kim Chong- il, including "Socialism Is a Science", have served as a solid basis for finding ways of making the popular masses truly responsible for the building of a new society, rebuilding socialist movement and accomplishing the human cause of independence.

It says the progressives of the world are struck with admiration at the rare ideo-theoretical activities of His Excellency Kim Chong- il and pin great hopes and expectations on him in accomplishing their cause of independence. His ideo-theoretical feats and prestige have been absolute on the world-wide scale and they shine more brilliantly with each passing day, it says.

It goes on to say that they will make more deep-going study of the thought and theories of His Excellency Kim Chong-il, harden the conviction of the universal truth of the chuche idea and play the role of pioneers in the struggle to build a man-centred new society, an independent new world.

The letter expresses full support to and firm solidarity with the Korean people in their just struggle for the reunification of the country as well as the conviction that the reunification of Korea will certainly be achieved under the guidance of His Excellency Kim Chong-il.

It sincerely wishes Comrade Kim Chong-il good health and a long life.

DPRK: Moscow Seminar on Chuche Idea Closes

SK0702122796 Pyongyang KCNA in English 0808 GMT 7 Feb 96

[FBIS Transcribed Text] Moscow, February 6 (KCNA) — The International Seminar on the Chuche Idea for Independence, Peace and Friendship, which had opened in Moscow on the forthcoming birthday of the Great Leader Comrade Kim Chong-il, closed on February 5 with success in its work.

In his closing speech, director general of the International Institute of the Chuche Idea (IICI) Shuhachi Inoue extended warm greetings to the respected leader Kim Chong-il, who is carrying forward the ideology, theory and exploits of respected President Kim Il-song with the noblest sense of obligation, and exerting energetic efforts to accomplish the cause of independence for mankind. "Once again, I pray for the eternal life of respected President Kim Il-song, representing the unanimous minds of all participants in the seminar and the chuche idea followers," he said.

"The seminar had the common view that it is a pressing task in the present times to eradicate the dominationist international political order based on the policy of strength and the neo- colonialist international economic order based on free competition according to the law of the jungle and to establish a new international order in conformity with social nature of mankind so that each country can realize independence in politics and self-reliance in the economy."

"The seminar confirmed that when the peoples all over the world are united under the idea of independence, peace and friendship to form a worldwide driving force of the history of the world, they can build a new independent world and progress along the road of eternal development," he stressed.

A letter to Comrade Kim Chong-il was adopted at the closing meeting.

DPRK: Moscow Banquet Celebrates Kim Chong-il Birthday

SK0702120696 Pyongyang KCNA in English 0821 GMT 7 Feb 96

[FBIS Transcribed Text] Moscow, February 6 (KCNA) — The preparatory committee of the international seminar on the chuche idea for independence, peace and friendship gave a banquet here on Monday in celebration of the birthday of the Great Leader Comrade Kim Chong-il.

Portraits of the Great Leader President Kim Il-song and the Great Leader Comrade Kim Chong-il were hung on the front wall of the banquet hall.

Placed before the front wall was a floral basket with ribbons on which the letters "Long life in good health to the Great Leader Comrade Kim Chong-il" were written.

The banquet was attended by members of the preparatory committee and national, international and regional delegations and delegates to the international seminar on the chuche idea.

Present there were also the chairman of the Council of the Union of Communist Parties-the Communist Party of the Soviet Union; the chairman of the "Working Russia" movement, who is concurrently secretary of the C.C. [Central Committee] , the Russian Communist Workers' Party; the chairman of "Leftist russia" party; the leader of the Bolshevik Programme Group of the Communist Party of the Soviet Union; the first secretary of the C.C., the All-Union Lenin Young Communist League; the chairman of the Russian Association for Friendship and Cultural Cooperation With the DPRK; the chairman of the Standing Committee of the Congress of People's Deputies of the Soviet Union; the first vice-chairman of the Russian People's Resistance League; the first vice-chairman of the Standing Committee of the "Peace and Today" Committee of Russia; the chairman of the Women's Congress of the Soviet Union; war veterans, officials of press organs including reporters of the ITAR-TASS News Agency and Radio Voice of Russia, Korean residents in Moscow and Russian citizens.

The members of the delegation of the Workers' Party of Korea led by secretary of its Central Committee Hwang Chang-yop and the DPRK ambassador and his embassy officials in Moscow were on hand.

Addressing the banquet, director general of the International Institute of the Chuche Idea Shuhachi Inoue said respected President Kim Il-song, the founder of the chuche idea, in his lifetime devoted all his physical and mental energies to the sacred cause of building an independent, peaceful and friendly, new society.

Today His Excellency Esteemed Kim Chong-il shows the road of accomplishing the human cause of independence and gives great confidence and courage to the world's progressives, by energetically conducting ideological and theoretical activities, true to the behest of the president, he said.

"We extend the highest glory and warmest wishes to His Excellency Kim Chong-il on his 54th birthday," he added.

An art performance was given at the banquet.

DPRK: Social Democrats Urge Nationwide Struggle for Peace

SK0702112696 Pyongyang KCNA in English 0425 GMT 7 Feb 96

["Proposal of Joint Meeting of Political Parties and Organisations Supported" — KCNA headline]

[FBIS Transcribed Text] Pyongyang, February 7 (KCNA) — A spokesman for the Central Committee of the Korean Social Democratic Party, issued a statement to the press on February 6 in connection with the fact that the joint meeting of the political parties and organisations in the Democratic People's Republic of Korea on January 31 set this year as a "Year of Peace and Great National Unity" and called upon the political parties, organisations and public figures from all walks of life in South Korea and overseas to conduct a powerful nationwide solidarity struggle to put it into effect.

The spokesman said that the Korean Social Democratic Party fully supports and welcomes the proposal of the joint meeting for conducting a nationwide struggle to preserve peace, regarding it as a very timely and reasonable initiative both in view of the requirements of the present situation and of the desire of the fellow countrymen.

All the Koreans who love the country and hope for the prosperity of the nation should launch various forms of extensive anti-war, anti-nuke movement to oppose the arms buildup and large-scale joint military exercises of the warmaniacs at home and abroad and remove the danger of a nuclear war, the spokesman said, adding:

Our Korean Social Democratic Party is willing to have contact and negotiations with any political parties of

South Korea without asking their past if they take the road of peace, reconciliation and reunification.

It will realise sincere contacts and dialogue with political parties, organisations and public figures in South Korea and overseas and take an active part in the nationwide struggle for peace and the great national unity joining hands with all the fellow countrymen. By doing so, it will discharge its responsibility and role, the spokesman declared.

DPRK: Youth Volunteer for 'Toilsome Jobs' in Economy, Countryside

SK0602130696 Pyongyang KCNA in English 0924 GMT 6 Feb 96

[FBIS Transcribed Text] Pyongyang, February 6 (KCNA) — Korean young people have volunteered for toilsome jobs in various fields of the national economy and distinguished themselves as performers of feats and young heroes and heroines.

Among them are many young men and women from Pyongyang.

The great leader President Kim Il-song wrote in his reminiscences:

"At a time when young people in some other countries are exerting themselves to obtain the citizenship of their capital cities, the young people in our country willingly leave their beloved capital and volunteer for work at farms, coal-mines, and reclaimed land. To be candid, I would like to seat these young people on cushions of gold."

Respected General Kim Chong-il was present at a recent conference of the League of Socialist Working Youth of Korea and met model members of the LSWYK and highly appreciated their deeds before having a souvenir picture taken with them.

There were two girl coop farmers — Kim Kyong-hui, just twenty years old, head of a sub-workteam of the Taephyong Cooperative Farm in Hyangsan County, North Phyongan Province, Yi Hye-song, farmer of the Kumdang Cooperative Farm in Onchon County, South Pyongan Province. They were Pyongyang girls.

They worked as a telephone girl of the Ministry of Public Security and as a salesgirl of a shop for external service in the capital till 1994.

Upon hearing the sad news like a bolt from the blue that President Kim Il-song passed away, they thought the same on the day of July, 1994.

Their mind was made up by what the president, so worried about farming, said that it was his wish to free General Kim Chong-il from walking a rough foot-path between rice-fields.

That is why they left the capital for the countryside with their determination to hold the respected general in higher esteem and defend socialism more firmly by doing farming well true to the behests of the president.

A few days later, the parents and younger sister of Kim Kyong-hui followed her to the same farm.

Comrade Kim Chong-il heard about their laudable deeds and said they are good comrades. And he received a letter from Kim Kyong-hui and gave her great love and belief by sending her an autographic letter wishing her to become a good daughter of the party. Yi Hye-song had the great honour of taking over the torch of revolution from General Kim Chong-il at the time of a torchlight procession of 100,000 young people and students in Pyongyang celebrating the 50th anniversary of the Workers' Party of Korea last year.

The number of young people whom President Kim Il-song said in his lifetime he would like to seat on cushions of gold is now growing day by day in Korea.

DPRK: Daily Urges Living, Working in Spirit of 'Arduous March'

SK0702121296 Pyongyang KCNA in English 0814 GMT 7 Feb 96

["NODONG SINMUN Calls for Living and Working in 'Arduous March' Spirit" — KCNA headline]

[FBIS Transcribed Text] Pyongyang, February 7 (KCNA) — Let us live and work in the spirit of the "arduous march" — this is a requirement of our developing revolution and a slogan of our party and people in the struggle at present, says the newspaper NODONG SINMUN today.

The spirit of the "arduous march" is the spirit fully displayed by the revolutionary forerunners in the period of the anti-Japanese revolutionary struggle.

It is a steadfast spirit of defending the leader, a staunch spirit of self-reliance, a spirit of overcoming any difficulties and a revolutionary optimistic spirit, says the paper in an editorial.

It further says:

Nearly 60 years have passed since the arduous March was made under the command of the Great Leader Comrade Kim Il-song.

During the some 100 days of the March from Nanpaizi to Beidadingzi, the anti-Japanese revolutionary veterans defended the headquarters of the revolution with their lives and opened up an epoch-making phase of the Korean revolution, undergoing ordeals beyond human imagination. As they safeguarded the leader and the Korean revolution at the cost of their lives in the most difficult condition, the spirit they displayed in the march has had a precious and extraordinary vitality.

The spirit is a staunch revolutionary spirit of keeping the pledge one made before the red flag and an indomitable spirit of maintaining the revolutionary principles and conscience in any circumstances. With this spirit, our people neither fear to fight any formidable imperialist enemy nor waver in any adversity.

Our red flag is a sacred flag representing the whole life of Comrade Kim Il-song and a flag of the struggle and advance reflecting the faith of respected General Kim Chong-il. If we continue living and working in the spirit of the "arduous march" the red flag of our revolution will be always kept flying high and the traditions of chuche be kept pure.

The spirit is the mental strength which makes it possible to fully demonstrate the mettle of socialist Korea and effect a great upsurge in the revolution and construction.

The mettle of socialist Korea is an indomitable mettle of continuing the struggle, advance and innovation uninterruptedly.

Overcoming all difficulties and advancing the revolution in the spirit of the "arduous march" is the traditional fighting spirit of our party and people.

South Korea

ROK: 'Depressing' Developments in Ties With U.S. Over DPRK

SK0702085796 Seoul TONG-A ILBO in Korean 7 Feb 96 p 2

[Article by Washington correspondent Yi Chae-ho from the "Reporter's Eyes" column: "Depressing Diplomacy Toward the United States"]

[FBIS Translated Text] Officials of the ROK Embassy in Washington have no spirit these days. All of them have long faces. They have no vigor or confidence, unlike in the past. As elite officials of the ROK Foreign Ministry, they took pride in working at the forefront of the ROK's diplomacy toward the United States.

It seems that this gloomy atmosphere in the ROK Embassy is related to the U.S. decision to unilaterally supply grain to North Korea. Despite the ROK Government's plea not to, the United States has decided to supply $2 million in grain aid to North Korea. Even though ROK-U.S. relations are different from the days when they were called blood relations, previously the United States had not openly betrayed the ROK's expectations.

The United States does not seem to have considered the ROK's position when selecting the timing of the announcement on its decision. The United States announced its decision to provide grain assistance to North Korea on 1 February, the day when it was reported that Anthony Lake, White House national security adviser, would visit the ROK as President Clinton's special envoy. At the time the U.S. State Department announced the visit, the special envoy was crossing the Pacific aboard a plane.

What does this mean? This means that the United States had already made up its mind that it would provide grain to North Korea. Anyone in Washington who carefully reads U.S. newspapers can easily perceive the United States' intention, though this may be a wild guess.

Nevertheless, the ROK was talking about ROK-U.S. joint action. After the ROK-U.S.-Japan policy consultation in Honolulu on 25 February, the ROK announced that the "United States will not provide grain assistance to North Korea."

Then, was the ROK Foreign Ministry's assurance a miscalculation? We do not know exactly. As Foreign Ministry officials state constantly, things may not have gone according to plan because there are two sides in any diplomatic negotiations.

However, we think they should, at least, have told our people what happened exactly. They should, at least, have said: "We are making every effort to prevent the United States from unilaterally providing grain assistance to North Korea. However, it is difficult to predict the outcome because the United States has a strong desire to provide rice assistance to North Korea."

The reason we mention a past event is that we worry that similar events may occur again. Officials of the Foreign Ministry and Embassy in Washington seem to hope that this $2 million grant of grain aid to the DPRK will be the final one. However, Winston Lord, assistant secretary of state for East Asian and Pacific affairs, said on 4 February that the $2 million in grain aid would be a mere "peanut." This truly helps us see how different the two countries' perceptions are.

ROK: Skeptical View of Lake's Promises on DPRK Ties Urged

SK0702084596 Seoul KYONGHYANG SINMUN in Korean 7 Feb 96 p 3

[Editorial: "Don't Believe Too Much in the Pledge Made by the United States"]

[FBIS Translated Text] We have the impression that for the time being discord between the ROK and the United States regarding the North has been dissolved due to the visit to the ROK by Anthony Lake, the White House national security adviser. This is because throughout his three-night, four-day visit to the ROK, he pledged to our government that "there can be no North-U.S. approach if the ROK is eliminated," and the United States "will promote relations with the North to improve South-North relations." When viewing just his pledge, discord between the two countries regarding policy toward the North seems to have been completely dissolved.

However, the problem lies in the fact that this is not the reality. Lake's visit to the ROK may have temporarily patched up the ROK-U.S. discord that has been acutely revealed recently, but a fundamental resolution has not been achieved. Most of all, when viewing his pledge in connection with the trend of changes between the North and the United States since the Geneva Agreement, its objective significance becomes clear.

Therefore, if the government simply takes the United States at its word that "there can be no North-U.S. approach if the ROK is eliminated," it will make a big miscalculation. This is because the United States has set about too many projects with North Korea. Right after the Geneva Agreement, President Clinton sent a personal letter to Kim Chong-il and promised to provide substitute energy and guaranteed that the U.S. would ease economic sanctions. Currently, the United States is implementing this promise step-by-step. This is the basic direction of the U.S. policy toward the North.

It is the same with the pledge that "the United States will promote relations with the North in the direction of improving South-North relations." This is through and through only a confirmation of the general principle of U.S. policy toward the North. This must not be viewed as a concrete principle which is applied even to particular issues. Nevertheless, if the United States tries to put the issue of food aid and the establishment of liaison offices in that category, friction will be inevitable. If the United States claims that all these contribute to improving South-North relations from a long-range viewpoint, how will the government deal with this matter?

It is a fact that in relations with the North, the United States has sometimes dealt us setbacks. However, we cannot blame just the United States. Whatever kind of an ally the United States is to us, diplomacy is diplomacy. There is a need for us to reflect on whether we are believing in the United States too much and whether we are too dependent on friendly remarks by the United States. The results of the Hawaii meeting are an example of this. While the United States claimed that nothing had been settled, didn't our government explain, based on its own interests, that there would be no government-level assistance to the North?

It is the same with Lake's pledge. It would be best to objectively interpret and deal with his remark rather than view his remark only from our position.

ROK: 'Discord' With U.S. Over Missile Development Viewed

SK0702062996 Seoul CHOSON ILBO in Korean 7 Feb 96 p 1

[By reporter Yu Yong-won]

[FBIS Translated Text] The U.S. Government's expression of misgivings over the ROK's development of long-range missiles beyond a 300 km shooting range and the need for measures to secure the transparency of the ROK's independent development of missiles has resulted in serious discord between the ROK and the United States.

Not only is the United States' limitation of the ROK's independent development of weapons an "infringement of sovereignty," but with North Korea's accelerated development of long-range missiles such as the Taepodong No. 1 and 2, which have a 2,000-4,000 km range, and China already in possession of intercontinental ballistic missiles with a 10,000 km range, the U.S. view is earning criticism as an attempt to hold ROK back. On 6 February, a high- ranking government source said: "During the negotiations to abrogate the ROK-U.S. missile memorandum in November of last year, the United States contended that even if the ROK were to join the Missile Technology Control Regime [MTCR], it had misgivings over the ROK's development of missiles or rockets beyond the 300 km range.

This runs counter to the MTCR regulation which prohibits exportation to third countries but allows member countries to independently develop missiles or rockets with a shooting range of over 300 km and warheads weighing over 500 kg.

Another high-ranking government source pointed out: "The U.S. distrust of the ROK and its demand that we reveal our independent missile development plan is a form of infringing on our sovereignty. Our basic position is that we expect to receive equal treatment when we become a member of the MTCR."

ROK: U.S. Urged Not To Remove DPRK From Terrorist List

SK0702100196 Seoul MUNHWA ILBO in Korean 7 Feb 96 p 7

[Editorial: "It Is Too Early To Remove North Korea From the List of Terrorist States"]

[FBIS Translated Text] The United States seems to be moving toward removing North Korea from the list of international terrorist states, thus attracting extraordinary attention. The U.S. State Department has confirmed that it has received an official letter from North Korea stating that it will reject any and every terrorist act in the future in a bid to get the United States to relax economic sanctions against it. The U.S. State Department noted that it is reviewing the North Korean letter and will officially discuss the issue of dropping North Korea from the list of terrorist states in March. This U.S. move shows that the U.S. policy toward North Korea is moving toward positive intervention in North Korean issues, with North Korea's serious food problem presenting an opportunity for it to do so.

Needless to say, we are not in a position to take part in the change of U.S. policy. However, we would like to advise the United States to prudently and deliberately handle the issue of North Korea's terrorist acts and know that it will not be at all untimely to remove North Korea from the list of terrorist states only after North Korea's rejection of terrorism is proven practically and visibly. The ROK and ROK people are subject to direct and visible terrorist acts by North Korea. In fact, we are the very victims of North Korea's terrorism.

Aside from many instances in the past, we may point out that in October 1983, North Korea dispatched special troops to Burma (presently Myanmmar) and committed a terrorist act against the ROK President who was paying an official visit to that country. As a result, ROK cabinet members and journalists were victimized. North Korea's terrorist act in Aungsan was exposed through the investigations of the-then Burmese Government. Following this, the Burmese Government severed even diplomatic relations with North Korea. With a view to disturbing the 1988 Seoul Olympics, North Korea blew up a Korean Airlines passenger aircraft in 1987, killing several hundred people. The very criminal who committed the terrorist act against the Korean Airlines passengers testified in the ROK about all the facts of the bombing. The entire world is well aware that North Korea's international terrorism includes not only direct killing and injuring of people and destructive schemes, but also infiltration of guerrilla forces into areas of dispute and the carrying out of guerrilla training and supplying of weapons to third countries. Thus, North Korea's terrorist acts have been committed in various forms and types. Prompted by this, in their summit last year the leaders of seven advanced Western nations adopted the issue on international terrorism as the main agenda item and announced a special declaration rejecting international terrorism.

The U.S. Government, taking the leadership in rejecting international terrorism, disclosed that North Korea was secretly training terrorist elements even after the blowing up of the Korean airliner, and listed seven nations, including North Korea, Iran, and Libya, as countries supporting terrorism.

We do not want to see North Korea being bound as a terrorist state forever. If North Korea is labelled a terrorist nation, its disgrace is to be shared by all Koreans in the North and the South. This being the case, North Korea should first join the Tokyo Treaty, an international agreement for prevention of terrorism, and should stop exporting weapons, including missiles, and stop aiding guerrilla groups. Besides, North Korea should stop producing horrible biological and chemical weapons because all these weapons can be used for international terrorism. We also urge North Korea to abandon its goal of achieving national reunification by communizing South Korea because the means for national reunification through communization of the ROK are themselves a terrorist act. We would like to call on the United States once again to know that it will not be at all untimely to remove North Korea from the list of terrorist states only after complete discontinuation of its terrorist acts is proved.

ROK: U.S. Secretary Lord Says DPRK Must 'Ease Tensions'

SK0602231696 Seoul KBS-1 Radio Network in Korean 2210 GMT 6 Feb 96

[Report by Washington-based correspondent Yi Chong-su]

[FBIS Translated Text] The United States expressed its position that for practical improvements in U.S.-North Korea relations, North Korea must first take steps to ease tensions. During a news conference held today, U.S. assistant secretary of state for East Asian and Pacific affairs Winston Lord stated that holding inter-Korean dialogue and easing tensions must come before any practical improvement of U.S.-North Korea relations.

Noting that the United States is reexamining its list of terrorist countries, Assistant Secretary Lord hinted that North Korea is included on the list.

Assistant Secretary Lord also stated: The United States will provide North Korea with heavy oil in the short term, but the ROK and Japan will have to share the cost of the project in the long run.

ROK: Article Views Presence of Korean Augmentation to U.S. Army

SK0702040696 Seoul THE KOREA TIMES in English 7 Feb 96 p 3

[Third in a series of articles on the presence of U.S. troops in the Republic of Korea and their effect on the country; by staff reporter O Yong-chin: "KATUSAs Form Integral Part of ROK-U.S. Combined Defense Posture"]

[FBIS Transcribed Text] Nearly everywhere U.S. soldiers are, whether out in the field or in garrison, it is a sure bet that Korean soldiers are working side by side with them.

The Korean soldiers are members of the Korean Augmentation to the U.S. Army or KATUSAs, an integral part of the ROK-U.S. combined defense team since the Korean War.

They are all ROK Army conscripts with most of them having at least a few years of college. There are currently about 5,000 KATUSAs assigned to U.S. Army units across the country, translating the idea of the two countries' military partnership into action every day.

Pfc. Joseph Schmidt, 23, of HHC EUSA from Jacksonville, Florida, who works with KATUSA Cpl. Yang Yong-chin, at the USFK [U.S. Forces Korea] Public Affairs Office, has a lot of praise for his colleague, saying that he has learned about Korea from him.

"He works hard and is an exemplary soldier contributing much to the U.S. military mission in Korea," he said.

"It is out of the question to get work done here without Cpl. Yang who is responsible for communications with Koreans we get in touch with for our official duties on a daily basis," the American soldier said.

The KATUSA program was launched for just that. Back in 1950 when the Korean War broke out, Gen. Douglas MacArthur of the United States initiated the program to fill out U.S. units. That program proved to be a success as they performed better than expected by guiding American soldiers through unfamiliar terrain, language, customs and people.

Even after the war ended in 1953, the program was continued.

"I can say that I am experiencing a piece of the United States during my service as a KATUSA," Yang said. "And this experience is helpful to me."

Cpl. Yang, 22, of Seoul recalled his first days of being a KATUSA with a smile. "It was a cultural shock to me but I overcame it as I worked with American soldiers and began to understand their culture."

A KATUSA sergeant assigned to the U.S. Yongsan Garrison, however, said he wanted to set straight what he called one public misconception about KATUSAs.

"Many people think that all KATUSAs lead an easy and comfortable life free from hard duties ROK soldiers are required to perform. But KATUSAs assigned to frontline U.S. units are engaged in missions as hard as their ROK Army counterparts."

According to the ROK Army Support Group, which is responsible for management of the KATUSA program, the KATUSAs work in a wide range of jobs from combat arms to the mess hall kitchens to supply depots.

Many of the jobs are physically tough or menial to KATUSAs, most of whom have educational backgrounds that can be taken better advantage of.

A Korean Army officer, who worked at the ROKA [ROK Army] Support Group, said on the condition that he remains unnamed.

"There are problems with the current KATUSA program that remain unaddressed despite it being more than 45 years in use."

He said that the U.S. forces usually assign KATUSAs to menial and physical jobs.

"Sometimes I wondered if the U.S. is using KATUSAs to do the menial jobs shunned by its soldiers and cut down on its military maintenance costs." It is said that the KATUSA program is mainly financed by the Korean government.

A great myth that must be dispelled is that KATUSAs are paid by the U.S. government according to a pay scale it uses for its soldiers and that the Korean government uses the money for other purposes.

This is not true and KATUSAs are paid exactly the same as ROK Army enlisted soldiers from the Korean defense budget.

He also said that the program has conflicting points in it as it gives commanding authority to U.S. commanders to whom KATUSAs are assigned, while the ROK

Army retains the authority for personnel assignments. "KATUSAs are orphans abandoned by the ROK Army and marooned in the U.S. military."

In contrast with these hard words about the KATUSA program, another support group officer holds a more positive view on it.

"The program is a 'short-order' globalization tour for young Koreans as it provides a chance to experience first-hand American culture and learn the international language of English."

ROK: DPRK Official Says No Food Problem 'at Present'

SK0702071496 Seoul KBS-1 Radio Network in Korean 0500 GMT 7 Feb 96

[Report by Tokyo-based correspondent Yu Sung-chae]

[FBIS Translated Text] (Kim Hung-yon), vice chairman of North Korea's Committee for the Promotion of External Economic Cooperation, who is now visiting Japan, told NIHON KEIZAI SHIMBUN yesterday that North Korea has no food problem at present.

Kim said: North Korea will face serious shortages. However, there is no problem in rice rationing at present.

In this way, he strongly denied the rumors that North Korea faces starvation. Commenting on the Japanese Government's decision not to consider additional rice assistance before the talks for establishing diplomatic relations resume, he criticized the Japanese Government for merely waiting to see how other countries are doing. Kim denied the report that North Korea has massive rice stockpiles for military use.

He also said that the ROK Government's attempt to resume North- South dialogue by taking advantage of the rice supply issue is wrong.

ROK: DPRK Defector Captured; Another Under Custody

SK0702055196 Seoul KBS-1 Radio Network in Korean 0500 GMT 7 Feb 96

[Report by Kim U-chol]

[FBIS Translated Text] Kim Hyong-tok, who defected to the ROK through China two years ago, was captured while trying to stow away to China and is now under investigation.

Security authorities announced that he was found hiding in a Chinese-registered ship in Ulsan port on 4 February. Before defecting to the ROK, he was a soldier of the South Pyongan Province shock brigade of the youth shock brigade guidance bureau of North Korea's League of Socialist Working Youth. He reportedly told investigative authorities that he wanted to see his parents in North Korea. An official of security authorities said that he was found possessing $15,000, which he received from the ROK Government and earned so far.

Meantime, defector Kang Myong-to, a son-in-law of North Korean Premier Kang Song-san, was found to have tried to send $30,000 to China through a third person. This third person was captured at Kimpo Airport.

Kang Myong-to is now under investigation on charges of violating the foreign currency control law. According to investigative authorities, Kang said that he tried to send the money to China to use for business funds in Yanbian, China. Kang is now under custody on charges of violating the foreign currency control law.

ROK: YONHAP Reports on DPRK Defectors

SK0702111596 Seoul YONHAP in English 1104 GMT 7 Feb 96

[FBIS Transcribed Text] Seoul, Feb. 7 (YONHAP) — A North Korean defector is being questioned about his attempt to re-defect to the North through a Chinese ship, the Agency for National Security Planning (NSP) disclosed Wednesday.

Kim Hyong-tok, 22, former North Korean soldier who defected to the South in September 1994, was caught while being stowed in a Chinese cargo ship which called at Ulsan on the southeastern coast late Sunday afternoon.

He sneaked into the Chinese freighter at Inchon port early Saturday morning to smuggle himself into North Korea by way of China, the NSP said.

He was found carrying $14,700 with him.

He was quoted as saying that he had crept into the ship, hoping [for] a voyage to North Korea via China to meet his father living in Kaechon, South Pyongan Province, in the North.

The NSP is also interrogating a certain Kim, 44, an employee of Sinwoo Trading Co. Run by North Korean defector Kang Myong-to, 38, a son-in-law of North Korea Premier Kang Song-san, on suspicion of violating the foreign exchange control law.

Kim was caught trying to smuggle $32,000 out of the country in order to import fish from China.

Kang, the company's owner, said the incident "was accidental," and it took place because he and Kim did not know much about the law.

He also denied as untrue a local press report that he had tried to smuggle himself into North Korea, saying, "I haven't even applied for my passport."

ROK: DPRK Premier's Son-in-Law Rejects Attempted Escape Report

SK0702082396 Seoul YONHAP in English
0637 GMT 7 Feb 96

[FBIS Transcribed Text] Seoul, Feb. 7 (YONHAP) — North Korean defector Kang Myong-to denied a local press report Wednesday that he made an unsuccessful attempt to escape last December.

The KUNGMIN ILBO reported Wednesday that Kang was caught in December while attempting to depart from Kimpo Airport carrying $30,000, and that he is being investigated by law enforcement authorities.

"I'm considering filing a complaint with the Press Arbitration Committee against the KUNGMIN ILBO," Kang said.

Kang, son-in-law of North Korean Premier Kang Song-san, defected to the South in May, 1994 from China while serving as vice president of a North Korean trading firm, run by the Kim Il-song Palace.

Kang has been operating Sinu Trading Co. since September last year, which imports and markets North Korean herbal medicine and fishery products via China.

Denouncing the report as "totally groundless," Kang explained that it was an employee of his trading firm, a certain Kim, age 44, who was caught in mid-December when he tried to depart Kimpo Airport possessing $32,000 for the purpose of buying in China North Korea-produced Alaskan pollack.

It has been confirmed that the prosecutors have not yet booked the Sinu employee Kim on charges of violating the foreign exchange control law.

ROK: DPRK Unable To Produce Cement for Philippines

SK0602112296 Seoul YONHAP in English
1053 GMT 6 Feb 96

[FBIS Transcribed Text] Tokyo, Feb. 6 (YONHAP) — The Philippines has abandoned a plan to import North Korean cement and some other items as North Korea could not produce the items due to a power shortage, the KYODO News Service of Japan reported from Manila Tuesday.

Quoting a diplomatic source in Manila, KYODO said the Philippines agreed with North Korea last year to import the goods but has recently scrapped the agreement assuming that the North's industrial production is in an utter slump.

The source said Manila and Pyongyang agreed in June 1991 to normalize their diplomatic relations but there is no chance for the two countries to normalize ties any time soon.

It appears North Korea is unable to engage in positive diplomacy with Southeast Asian countries due to economic problems, he said.

The Manila Government sent a trade mission to North Korea in February last year, which agreed with Pyongyang to import 10,000 tons of cement, machines and fertilizer from the North at low prices.

However, there was no shipment from North Korea by May last year as agreed, and a check with Pyongyang showed North Korea could not produce the goods due to the lack of electric power, the KYODO report said.

ROK: KNRC Maps Out Plan To Accommodate Exodus of DPRK Refugees

SK0602053296 Seoul YONHAP in English
0507 GMT 6 Feb 96

[FBIS Transcribed Text] Seoul, Feb. 6 (YONHAP) — The Korean National Red Cross (KNRC), preparing for a possible exodus of North Koreans defectors to the South, has drawn up a plan to accommodate such persons, said KNRC Secretary General Yi Pyong-ung Tuesday.

The KNRC would initially accommodate North Korean defectors in some 270 primary and secondary schools north of the Han River and would then transfer them to facilities south of the river if they come en masse, he said.

Yi was speaking at a discussion meeting on unification policy held by the Advisory Council on Democratic and Peaceful Unification (ACDPU) at the Tower Hotel.

To this end, the relief organization has some 30 large tents and 10 ration trucks, with each truck capable of feeding 600 people at a time, he added.

To help North Koreans adapt themselves to South Korea's market economy, an orientation program for such defectors is required, he stressed.

On international aid to the North, Yi disclosed that Pyongyang asked the International Red Cross (IRC) for assistance in rebuilding the 3,500 homes destroyed by last summer's floods. He added the KNRC would include building supplies to help its flood-damage reconstruction projects in the fourth shipment of aid to the North, which is to be shipped soon.

The organization has shipped relief supplies worth 320 million won [US$415,000], including blankets, instant noodles and socks, in three shipments to the North thus far, with 170 million won [US$220,000] in unused relief funds for North Korea remaining, he explained. The KNRC has raised 120 million won [US$156,000] for its share of the IRC relief program for North Korea and 370 million won [US$480,000] from religious and other charity organizations in additional aid.

Sin Yong-sok, head of the ACDPU Peaceful Unification Research Institute, said there are 561 North Korean defectors currently residing in South Korea, with some 1,200 North Koreans who are taking refuge in China, Russia and Vietnam also seeking to enter the South.

Of the 561 North Korean defectors in the country, 253 are unemployed or daily laborers in need of help.

While Russia has been cooperative in sending such runaways from North Korea to South Korea, China is deporting such persons back to the North after their capture, Sin said.

He then stressed the need to maintain close cooperation with Russia and China in bringing such North Koreans wandering in those two countries to the South.

ROK: Japan to Pay $12 Million for Heavy Oil to DPRK

SK0702130296 Seoul YONHAP in English
1248 GMT 7 Feb 96

[FBIS Transcribed Text] Tokyo, Feb. 7 (YONHAP) — Japan, at the U.S. Government's request, will pay 12 million dollars for February and march shipments of heavy oil to North Korea.

Tokyo, considering that it would be too heavy a burden for Washington to pay some 50 million dollars a year for heavy oil supply to the communist country over the next seven to eight years, is also contemplating sharing part of this burden, an informed government source said Wednesday.

In the recent high-level meeting among Japan, South Korea and the United States in Honolulu, Washington asked Tokyo to pay part of the expenses for heavy oil shipments to North Korea, and the request was repeated by White House Security Aide Anthony Lake Wednesday when he visited Foreign Minister Yukihiko Ikeda at his office, he explained.

Concluding a delay in heavy oil delivery to the communist country would adversely affect the U.S.-North Korea agreement in Geneva for freezing Pyongyang's nuclear arms development program, the Japanese Government has decided to shoulder part of the burden, he added.

Under the Geneva agreement, Washington is to supply heavy oil as alternate energy to North Korea until its construction of light- water nuclear reactors for power generation is completed, but the U.S. Congress has appropriated only 22 million dollars per year for the heavy oil supply during this period.

ROK: Japan To Help Pay for KEDO's Heavy Oil Supply to DPRK

SK0702012996 Seoul YONHAP in English
0049 GMT 7 Feb 96

[FBIS Transcribed Text] Tokyo, Feb. 7 (YONHAP) — The Japanese Government has decided to help pay for the heavy oil the Korean Peninsula Energy Development Organization [KEDO] is supplying to North Korea, a Japanese newspaper reported Wednesday.

ASAHI SHIMBUN said that Japan, after being asked by the U.S. Government to bear part of the financial burden for the heavy oil supply, decided to pay for the oil until related U.S. appropriation bills are approved by the U.S. Congress.

KEDO is to supply the heavy oil to North Korea in return for its promise to freeze its nuclear development program, and the United States, on behalf of the KEDO, is supposed to provide some portion of the heavy oil to the North.

ASAHI quoted sources at the ruling coalition as saying that there are some who believe that the resumption of Tokyo-Pyongyang talks for normalizing diplomatic relations is a precondition for the oil supply.

The Japanese decision, however, was made in light of the possibility that if the heavy oil is not supplied as agreed by KEDO and North Korea, the North Korean nuclear development program might possibly be revived, the newspaper quoted an official at the Foreign Ministry as saying.

ASAHI said that Japan is trying to find clues about how to improve relations with North Korea by supplying the heavy oil, but it remains to be seen whether South Korea will consent to the heavy oil supply and the attempt to improve relations with Pyongyang.

ROK: Seoul Decides $100,000 in Aid to PRC Earthquake Victims

SK0702062796 Seoul YONHAP in English
0526 GMT 7 Feb 96

[FBIS Transcribed Text] Seoul, Feb. 7 (YONHAP) — South Korea decided Wednesday to provide $100,000 in emergency aid for victims of the recent earthquake that hit the Chinese Province of Yunnan, Foreign Ministry spokesman So Tae-won said.

The deadly earthquake hit the city of Lijiang in Yunnan last Sunday, killing hundreds and leaving hundreds of thousands homeless.

Seoul provided $100,000 in aid each to victims of earthquakes in southern China in June 1994 and last July.

United Nations Secretary General Butrus Butrus-Ghali recently promised to provide relief aid to the quake-hit region.

ROK: ROK, PRC Premiers To Hold Video-Linked Talk 9 Feb

SK0402031096 Seoul YONHAP in English 0301 GMT 4 Feb 96

[FBIS Transcribed Text] Seoul, Feb. 4 (YONHAP) — South Korean Prime Minister Yi Su-song and Chinese Premier Li Peng will hold their first talk, video-linked, next Friday in Seoul and Beijing, respectively.

A ten-minute conversation between them is to take place as part of events commemorating the opening of optical fiber cables between the two neighboring countries.

The premiers' face-to-face talk on the screen will follow the exchange of congratulatory messages by South Korean Information and Communications Minister Yi Sok-chae and Chinese Posts and Telecommunications Minister Wu Jichuan.

The operation of optical fiber cables between South Korea and China will boost the number of international communications circuits linking them from the current 1,000 to 15,000 and also improve the quality of communications substantially, information and Communications Ministry officials said Sunday.

Optical fiber cable services are thus expected to contribute greatly toward facilitating business activities between the two countries.

ROK: ROK, PRC Fail To Narrow Differences on Aircraft Project

SK0402045396 Seoul THE KOREA TIMES in English 4 Feb 96 p 8

[FBIS Transcribed Text] Korea and China have failed to narrow their differences on a joint project to manufacture 100-seat aircraft at recent talks, a Trade Industry and Energy Ministry official said yesterday.

Yi Kon-u, director general of the ministry's basic industry bureau, said, "There were no results produced at working-level talks held late last month. "We insisted that assembly plants be set up both in Korea and in China whereas the Chinese delegation insisted that the plant be installed in China only."

Korea will negotiate patiently with the Chinese on the issue, Yi said.

ROK: Kang Min-su Named Head of ROK Permanent Mission in Taiwan

SK0702081196 Seoul YONHAP in English 0623 GMT 7 Feb 96

[FBIS Transcribed Text] Seoul, Feb. 7 (YONHAP) — Former Superintendent of the Air Force Academy Kang Min-su was appointed permanent representative of the Asia Research Center, Korea International Cooperation Agency (KOICA), in Taipei, a Foreign Ministry spokesman said Wednesday.

A retired lieutenant general, Kang served as vice chief of staff for the ROK Air Force and deputy chief of staff for personnel headquarters of the ROK Air Force.

The center actually operates as South Korea's permanent mission in Taipei since Seoul and Taipei severed diplomatic ties.

ROK: ROK, Australia Exchange MOU on Environmental Cooperation

SK0702041596 Seoul THE KOREA TIMES in English 7 Feb 96 p 3

[FBIS Transcribed Text] South Korea and Australia have exchanged a memorandum of understanding [MOU] on environmental cooperation, laying the groundwork for joint undertakings in various projects.

The MOU, signed by John Faulkner, minister of environment, sports, territories of Australia, was delivered by Australian Amb. Mack Williams to Korean Environment Minister Chong Chong-taek yesterday. South Korea signed the MOU and sent the letter of agreement to Australia in December.

Australia is the seventh country with which South Korea has concluded an environmental cooperation arrangement. South Korea has bilateral agreements with China, Japan and Russia, and exchanged a memorandum of understanding with the United States, France and Canada.

Under the accord, South Korea and Australia will exchange data and information on environmental conservation and management, including environmental policies, legislation, administrative arrangements, research and development results, and environmental impact assessment policy and techniques as well as exchanges of experts, researchers and officials.

Joint workshops and meetings on environmental issues will also be organized by the two countries.

In particular, cooperative activities are expected to be undertaken in the areas of combating air pollution, including climatic change and ozone depletion, in which Australia is far more advanced than South Korea, a spokesman said.

ROK: Article Notes European Nations 'Actively' Working With DPRK

SK0602090496 (Internet) Seoul The Digital CHOSON ILBO WWW in English 1229 GMT 3 Feb 96

[FBIS Transcribed Text] European nations such as the United Kingdom, France, and Germany are actively expanding their economic co-operation projects with North Korea. A report released by the Finance and Economics Board on Saturday said that delegates from Denmark's Foreign Ministry visited North Korea and had discussions concerning repayment of the North's 9 million dollar debt. Germany is planning on opening a private enterprise liaison office in Pyongyang in February. This report also said that Germany is also planning on sponsoring a large scale world fair to be held in North Korea while France is considering plans to discuss a joint beer company and waste disposal factory. The United Kingdom has offered to enter diplomatic level contacts with North Korea and to send private industry into the Najin-Sonbong Zone. Also, the Netherlands International Bank (ING), by opening a branch in Pyongyang last year became the first western bank to operate in North Korea. The British financing company, Peregrine, is intending to open an office sometime in the near future. It has also been learned that General Motors may be considering the possibility of operations in the North once hostilities with South Korea have been eased. The report interpreted these series of developments as an effort by European countries to secure their ability to influence the peninsula as it moves towards global competition.

ROK: Economic Mission Leaves for Croatia, Bosnia, Slavonia

SK0402051496 Seoul YONHAP in English 0445 GMT 4 Feb 96

[FBIS Transcribed Text] Seoul, Feb. 4 (YONHAP) — A 30-member South Korean economic mission to former Yugoslavia left for Zagreb, Croatia Sunday aboard a Korean Air flight.

Headed by Korea Trade and Investment Promotion Corp. President Pak Yong-to, the delegation consists of officials from the Ministries of Foreign Affairs, Trade, Industry and Energy, and Finance and Economy as well as senior executives from 14 enterprises including Samsung and Hyundai Corporations.

Touring Croatia, Bosnia-Herzegovina and Slovania [spelling as received] until coming Thursday, the team will look into prospects for post-war rehabilitation projects in an effort to identify areas Korean firms can participate in, according to government officials.

ROK: Foreign Ministry Announces New Ambassadorial Appointments

SK0702054096 Seoul YONHAP in English 0459 GMT 7 Feb 96

[FBIS Transcribed Text] Seoul, Feb. 7 (YONHAP) — The Foreign Ministry appointed Research Commissioner Kim Sok-hyon of the Institute of Foreign Affairs and National Security (IFANS) ambassador to Ireland Wednesday.

Special Assistant to the Foreign Minister Kim Sam-hun was appointed ambassador to Brazil while Consul General Kim Chae-kyu in Berlin, Germany, was assigned ambassador to Iran.

Deputy Chief of Protocol Kim Sung-ui will replace Kim Sok-hyon as IFANS research commissioner.

Ambassador to Yemen Cho Kyu-tae was assigned to serve as consul general in Sapporo, Japan and former Treaties Bureau Director General O Yun-kyong was named ambassador to New Zealand.

Consul General Sin Hyon-pae in Sapporo was named ambassador to Nepal and Senior Coordinator for Planning and Management Mun Pyong- nok was appointed ambassador to Fiji.

Pak Hui-chu of the Korea International Cooperation Agency (KOICA) was named ambassador to Yemen.

ROK: Na Ung-pae Speaks on Government's Small Business Policy

SK0702041696 Seoul YONHAP in English 0114 GMT 7 Feb 96

[FBIS Transcribed Text] Inchon, Feb. 7 (YONHAP) — The administration will enforce its medium- and small-sized business policy in a way that benefits firms that are helping themselves, moving away from unconditional protection and support, the nation's top economic policymaker said Wednesday.

Deputy Prime Minister Na Ung-pae, speaking at a meeting of businessmen held at the Inchon Chamber of Commerce and Industry, said that "in the administration's small business policy, priority will be given to supporting competition, structural improvements and converting to businesses with better prospects."

Smaller enterprises that push ahead with automation and computerization will be especially encouraged, according to the concurrent finance and economy minister.

"The rapidly changing business environment today offers medium- and small-sized enterprises an opportunity as well as a crisis," Na said.

Na visited Inchon on the first leg of his nationwide tour to meet provincial businessmen. He is scheduled to visit Mokpo and Pusan Friday and Taegu and Taejon Saturday.

ROK: CEMC: Yi Hoe-chang's Briefing to President Not Against Law

SK0702071696 Seoul YONHAP in English
0629 GMT 7 Feb 96

[FBIS Transcribed Text] Seoul, Feb. 7 (YONHAP) — The Central Election Management Commission [CEMC] ruled on Wednesday that the planned weekly briefing of the chairman of the election campaign headquarters of the ruling New Korea Party to President Kim Yong-sam is not contrary to election law.

The CEMC said that the weekly briefing should be considered an ordinary operation of the political party. The ruling party is reportedly seeking to name former Prime Minister Yi Hoe-chang chairman of the electioneering headquarters.

Opposition parties have asserted that the weekly briefing violates the election law which prohibits public officials from intervening in election campaigns.

"It should be considered as an ordinary operation of the political party and implementation of official duties of the chief of the party that the president, who has two posts as a public official and party president, appoints the chief of election-related organizations inside his party and is briefed by him on the party's operation," the CEMC said.

The election campaign watchdog also judged that local self- governing bodies can provide various cultural courses for people unless they do not affect people's voting in elections.

ROK: Sunkyong Chairman Choe To Meet PRC Premier Li Peng 7 Feb

SK0702110996 Seoul YONHAP in English
0642 GMT 7 Feb 96

[FBIS Transcribed Text] Seoul, Feb. 7 (YONHAP) — Choe Chong-hyon, chairman of the Sunkyong Business Group, flew to Beijing Wednesday morning at the invitation of Chinese Premier Li Peng to discuss the group's 1.5 billion-U.S.-dollar construction project, a company spokesman said.

Choe will meet with the Chinese premier later in the day, and ask for his support for the oil refinery construction project in Shenzhen, Guangdong Province, the spokesman said.

Prior to this, the group's affiliate Yukong Ltd., the largest oil refinery in South Korea, submitted an application for approval of the project from the State Planning Commission of China's State Council last November.

In particular, the projected Shenzhen plant will be the largest investment ever made by a South Korean company since the opening of diplomatic ties between the two nations in 1992, the spokesman boasted.

According to Yukong's plan, the Shenzhen oil refinery will be built in the Dapung Bay and is scheduled to begin operating in 1998.

The plant will be equipped with a crude distillation unit (CDU) that will produce 110,000 barrels a day and atmospheric residue desulferization (ARDS) and residue fluid catalytic cracking (RFCC) units to generate 40,000 barrels a day, the spokesman explained.

The spokesman added that Sunkyong's long-term plan involves additional 10 billion-dollar investment in China to construct petroleum companies, which are capable of turning out a variety of oil products, if the current project is smoothly completed.

ROK: New Korea Party Withdraws Libel Suit Against DP Lawmaker

SK0702045596 Seoul YONHAP in English
0255 GMT 7 Feb 96

[FBIS Transcribed Text] Seoul, Feb. 7 (YONHAP) — The ruling New Korea Party (NKP) decided Wednesday to withdraw the libel suit that it filed against Rep. Choe Uk-chol of the opposition Democratic Party (DP) and DP spokesman Yi Kyu-taek.

NKP spokesman Son Hak-kyu said it was agreed at a senior post holders meeting chaired by party Chairman Kim Yun-hwan to retract the suit later in the day.

"We believe that the rationale for the lawsuit has dissipated as Rep. Choe publicly said he had never met President Kim Yong-sam and offered an apology, asking our party to withdraw the suit," Son said.

The ruling party, however, strongly urged Kim Won-ki, co-chairman of the DP, to apologize to the people for continuing to feed a political stir by insisting that

Choe met President Kim, despite Rep. Choe's denial, Son said.

ROK: Conflict Over Choe's Meeting With Kim Yong-sam Viewed

SK0702075296 (Internet) The Digital Chosun Ilbo WWW in English 1219 GMT 6 Feb 96

[Editorial: "Politics: Enough Is Enough"]

[FBIS Transcribed Text] Having already decided to arrest Rep. Choe Uk-chol for failing to comply with summons' issued after his claim that he had been propositioned by President Kim to change his political allegiances and join the ruling New Korea Party was proven to be false, the Prosecutor's Office seems set to summons Kim Won- ki, co-leader of the opposition Democratic Party, in relation to the same matter. What began with a false quip by Choe that he had met the highest office-holder in the country (when in fact he had met with Yi Won-chong, presidential secretary for political affairs), has escalated into an all-out political brawl between the ruling and opposition parties.

Choe has already make an unequivocal confession that he did not meet the President and he reiterated this in a further statement of admission on Monday, thus bringing immediate disgrace upon the Democratic Party. Yet the Prosecutor has now gone as far as issuing summonses for not only Choe but Yi; surely this constitutes somewhat excessive conduct on the Office's part.

It is true that there is a continuing tradition that certain politicians in this country are wont to misconstrue and discolor the nature of meetings with important people for the political benefit of their own parties and factions and in this regard Choe and Yi and their party's spokesman are deserving of criticism. However, in spite of this, Kang Sam-chae, secretary-general of the ruling party, who initially accused Choe of fabrication, continues to push his foe into the corner and hammer them for political mileage, thereby demonstrating a lack of parliamentary etiquette and grace.

If the Prosector's Office is to truly act fairly, it should pursue investigations in relation to the defamation suit against Kang for his very vocal accusations made in relation to the existence of the "200 million + alpha" fund with the same energy it is exerting in the matter at hand. The Democratic Party has already suffered fatal political damage as a result of Choe's indiscretion and the Prosecutor has publicly flexed its muscles; surely no more is needed to exonerate and protect the reputation of the ruling party. Further prosecutorial intervention in this matter will only result in the display of intolerance and narrow-mindedness and such would not be an appropriate means of protecting social and political order. For the sake of the nation generally, it is desirable that this matter is now laid to rest and further raucous quelled.

ROK: Prosecutors Examining 3 Politicians for Fund Involvement

SK0602021896 Seoul YONHAP in English 0201 GMT 6 Feb 96

[FBIS Transcribed Text] Seoul, Feb. 6 (YONHAP) — Prosecutors are looking into bank accounts held by Reps. Chong Ho-yong, Ho Sam-su and Ho Hwa-pyong to determine whether they were involved in former President Chon Tu-hwan's political slush-fund scandal, informed sources said Tuesday.

The three lawmakers were jailed last month on insurrection charges for their roles in the brutal suppression of pro-democracy protesters in Kwangju in May 1980.

Chong is suspected of having taken some 10 billion won [US$13 million] from defense contractors while serving as former President Chon's defense minister in 1987.

Public prosecutors said they had begun looking into 16 bank accounts held by the three legislators and members of their families to confirm whether they accepted money from businesses for themselves or Chon while they occupied positions of influence under Chon's presidency.

The prosecution earlier obtained a court order that authorized them to seize the bank accounts.

Prosecutors have also interrogated some defense contractors suspected of contributing to Chon's slush fund.

If it is confirmed that they accepted money for Chon and themselves, they will be charged with political fund violations and bribery.

In a related development, prosecutors are investigating allegations that Chon gave money to some lawmakers so that they would support his efforts to found a new political party. This probe will involve examining the bank accounts of lawmakers suspected of receiving money from Chon in 1993 and thereafter.

ROK: Lawmakers Indicted for 1979-80 Incidents

SK0702115896 Seoul YONHAP in English 0816 GMT 7 Feb 96

[FBIS Transcribed Text] Seoul, Feb. 7 (YONHAP) — The Seoul prosecutor's office indicted three incumbent lawmakers Wednesday on charges of insurrection for their major roles in a military rebellion.

The three are Chong Ho-yong, special warfare commander, Ho Sam-su, personnel director of the Defense Security Command, and Ho Hwa- pyong, chief secretary to defense security commander Chon Tu-hwan at the time of military coups in 1979-1980.

According to the prosecution, they were deeply involved in Chon's alleged rebellion to usurp political power from 1979 to 1980.

The prosecution submitted its written complaint to the court at 2:00 pm Wednesday.

The total number of indictments related to the rebellion case involving Chon now stands at 11.

Chong was accused of being involved in the bloody suppression of the Kwangju democratization movement and having ignored the normal chain of command required in martial law situations in the course of directing troops under his command, the prosecution said.

Chong also led the military decision to extend martial law to the whole nation, in spite of the opposition of cabinet members, according to the prosecution.

The two Hos worked out a detailed plan to take political power in accordance with Chon's instructions and were involved in forcibly detaining politicians and political dissidents.

A prosecutor said, "we will continue to investigate their connection to Chon's slush fund case and will be able to add bribery charges to their indictment."

ROK: Prosecutors Urged To Give 'Concrete Proof' for Chon Allegations

SK0602065596 (Internet) Seoul The Digital CHOSON ILBO WWW in English 1225 GMT 5 Feb 96

[Editorial: "For the Honour of the Journalistic Community"]

[FBIS Transcribed Text] Prosecutors have announced that former president Chon gave politicians and journalists 15 billion Won in hush money just prior to his self exile to Baek-tam Temple. It is an especially serious matter because the public will not only have perceived that journalists' integrity to have been compromised but also damaged their opinion of the press' fairness and morality. It is also a critical matter of honour among all journalists. There is growing disbelief and controversy as fingers are being pointed amongst the journalists of the Chon-No era, and the following generation. [sentence as received]

So we must ask the prosecutors if they have concrete proof for these allegations, or whether they are reporting on the basis of hearsay without any real intention of discovering the truth based on hard facts. If this is the case, and the allegations are unfounded, the prosecutors are committing slander against the journalistic community and subject to criticism for being pawns in the political game before a general election. Thus, no further action in finding out the truth in this matter affects directly the honour of journalists, and will not be disregarded.

We must also ask Mr. Chon to confirm or deny the statements of the prosecutor, which if correct, should be clarified with respect to how many journalists received how much money. The politicians' and journalists' kickbacks must be distinguished.

The other matter that Chon must address is to identify those journalists who took bribe money. He may be reluctant to release the names and thereby ruin the careers and lives of those few. Should he refuse to make known those names, he risks damaging the honour of all other journalists, for which he will be held solely responsible. He should know that he will feel the brunt of ill will of all journalists.

We would like to remind Chon's lawyers that we have every right to see the records of Chon's statements and we also demand that Chon be advised of the seriousness of the situation and to confirm the reports of the prosecutors. Finally we would like to say that these requests are not being made for the sake of raising questions, but in the interests of the journalists and the media as a whole, and we assure you we will aggressively pursue the truth to the end.

ROK: Foreign Ministry To Form Task Force Aiding Provinces

SK0702045396 Seoul YONHAP in English 0145 GMT 7 Feb 96

[FBIS Transcribed Text] Seoul, Feb. 7 (YONHAP) — The Foreign Ministry will soon form a task force to support efforts by provincial governments to enhance trade, economic and cultural relations with foreign countries, Foreign Ministry spokesman So Tae- won said Wednesday.

The task force, to be led by an ambassador-at-large, will help such governments to make inroads into overseas markets, enhance trade and investment and promote cultural exchanges, So said.

Burma

Burma: Mon Rebels Reportedly Cool to Junta's Economic Offers

BK0702053996 Bangkok THE NATION in English 7 Feb 96 p A2

[Unattributed report]

[FBIS Transcribed Text] Sangkha Buri — Burma's ethnic Mon guerrilla movement is taking "a cautious view" concerning economic offers made by the ruling Burmese junta after both sides struck a ceasefire agreement last June.

In an interview on Feb 4, Mon National Day, a senior leader of the New Mon State Party (NMSP) said that it was pressure from Thailand that forced them to enter into dialogue with the Burmese military rulers.

Thailand had pushed for armed ethnic groups living along the Thai-Burmese border to enter ceasefire negotiations with the ruling State Law and Order Restoration Council (Slorc) because of the "vast and ever-increasing economic benefits for itself in commercial engagements with the Burmese dictatorship", he said.

"Pressure. Pressure from our neighbour (Thailand) ... To facilitate trade, Thailand wanted to see its indigenous neighbours in Burma at peace with the ruling (Burmese) military," said the senior NMSP leader who asked that his identity not be disclosed.

He criticized successive Burmese rulers in Rangoon, saying that their "Burmanization policy" has failed to eliminate the desire for self-determination by all the ethnic nationalities in the country or "to win the hearts and minds of the Burmese (Burman), especially of the new generations". Burman is the majority ethnic race in the country.

He rejected the idea that it was another victory for Slorc when it struck a truce with the NMSP on June 29 last year, saying that the event, in fact, meant Rangoon accepted the Mon people's desire for self-determination.

"On the contrary, it means the Burma Army has had to come to terms with the New Mon State Party and has accepted as legitimate the enduring aspirations of the Mons to achieve self-determination," he said.

Slorc, he said, has tried to appease various armed ethnic groups including the Mons by economic concessions.

But the NMSP "is in fact taking a cautious view", as Slorc's decision to allow them to engage in sea trade with Singapore and Malaysia "was only compensation for the revenue we have agreed to stop collecting (in the form of taxes from people passing through Mon territory)".

He rejected recent media reports that the NMSP supreme leader, Nai Shwe Kyin, was excited by the ceasefire and economic concessions given by Slorc.

"It is certainly not true as published in some reports that Nai Shwe Kyin is excited about our future.

"Like most of our leaders, he hopes for the best but is prepared for the worst," he said.

He contended that the ceasefire was only "a temporary peace" and insisted that all ethnic nationalities in Burma believed "in the absolute necessity of political reform".

Asked about the fate of about 18,000 Mon refugees taking shelter along the Thai-Burmese border opposite Thailand's Kanchanaburi and Prachuap Khiri Khan provinces, he said all would return and be resettled.

He said a request for the UN High Commissioner for Refugees to monitor the resettlement of the refugees "has met with silence from Slorc".

Therefore, the NMSP wanted to appeal to the American people, their Congress and their administration "for assistance, through existing relief channels in Thailand, for basic necessities and medicine for those Mon resettling" and for the 160,000 other Burmese victims taking refuge along the common border.

Burma: Government Building Road To Use in War Against Karen Forces

BK0702075396 Bangkok THAILAND TIMES in English 7 Feb 96 p A2

[Unattributed report]

[FBIS Transcribed Text] Tak — The Burmese government is building a road along the border near Mae Sot, which is to be used in the war against the forces of the Karen National Union [KNU].

The Burmese army has reportedly moved its engineering corps — equipped with D7 and D8 tractors and several 10-wheel trucks — into the area, which was formerly occupied by the KNU's 6th division. It is believed the Burmese junta plans to use the road for bringing in reinforcements.

The construction is in preparation for engaging the KNU in the event that peace talks fail, according to a source.

The Karen, who have lost several strongholds to the Burmese earlier this year, is an ethnic minority group fighting for independence from Burma.

Karen rebel leader Gen Bo Mya said the group will not settle for a mere ceasefire. The fighting will continue, he said until Burma agrees to grant them independence
.

The general said the construction of the road starts across the Myawadi from Mae Sot and runs through to Baan Rai, Pha Lu and Thi Sa Lae camps, which Burmese troops recently seized from the KNU.

With regard to a violent clash between Burma's ethnic groups that left three Thais dead, Prime Minister Banhan Sinlapa-acha said it will take time to resolve the conflict, and that Thailand must not use excessive force to accelerate the process .

"I have assigned the Thai army to take care of the matter while the Foreign Ministries and the Defense Ministries of the two countries engage in open talks," said Banhan.

The Democratic Karen Buddhist Army, a breakaway faction of the KNU, last Wednesday launched another attack against the KNU at Mae Usu village, Tha Song Yang district, killing three Thais including a monk.

Cambodia

Cambodia: Khmer Rouge Says Ministers Cannot Solve Border Conflict

BK0702045396 (Clandestine) Radio of the Provisional Government of National Union and National Salvation of Cambodia in Cambodian 2330 GMT 6 Feb 96

[Unattributed commentary]

[FBIS Translated Text] It is reported that communist Vietnam has summoned [cointerior Ministers] Sar Kheng and Yu Hokkri to settle the so-called border conflict in Vietnam.

Who is Sar Kheng? Sar Kheng is a traitor whom communist Vietnam shipped from Vietnam to Phnom Penh in 1979 aboard a tank together with Hun Sen, Chea Sim, and Heng Samrin. This was in order to use him as a tool for an invasion into Cambodia. Those traitors had been indoctrinated by Communist Vietnam with the Vietnamese policy, especially the Indochinese federation policy of the late Ho Chi Minh, long before they were installed in Phnom Penh. Moreover, those traitors have been able to survive and remain the ringleaders of the Phnom Penh puppets thanks to communist Vietnam, their master. These people are totally obligated and loyal to Vietnam. They fear and respect Vietnam more than their own parents.

As for Yu Hokkri, he is a playboy and a parasite. He has done nothing except eat and drink. He has no national spirit or soul whatsoever. He has betrayed the nation, the people, and FUNCINPEC [National United Front for an Independent, Neutral, Peaceful, and Cooperative Cambodia]. He has joined Ranariddh in kowtowing as a puppet of the puppets Hun Sen, Chea Sim, and Sar Kheng and serving communist Vietnam's policy of exterminating the Cambodian race so as to preserve his position in the two-headed government.

That being the case, how can such people as Sar Kheng and Yu Hokkri solve the problem of Vietnamese plundering the Cambodian land in the east? They can do nothing. What they will do is to bow and scrape at communist Vietnam's feet and hold their hands up beseeching communist Vietnam's advice for them so it can pump in the ethnic Vietnamese and move the border demarcation signs further inside Cambodia with impunity.

The Cambodian nation and people have already clearly determined that the Cambodian-Vietnamese border problem can never be negotiated or be subject to new treaties or declarations. Communist Vietnam must respect Cambodia's territorial integrity, which communist Vietnamese leaders, including Pham Van Dong and Nguyen Huu Tho, formally recognized before 1970. Communist Vietnam must pull all of the Vietnamese armed forces and Vietnamese nationals out of Cambodia. This is the steadfast stance of the Cambodian nation and people.

We have constantly rejected all border agreements and treaties concluded between communist Vietnam and its out-and-out lackey puppets. We also wish beforehand to reject all agreements and treaties to be further concluded between communist Vietnam and its out-and-out lackey puppets.

Cambodia: Khmer Rouge: Enemies 'Routed' on Sisophon-Poipet Front

BK0702044196 (Clandestine) Radio of the Provisional Government of National Union and National Salvation of Cambodia in Cambodian 2330 GMT 6 Feb 96

[FBIS Translated Text] Our National Army basically routed the two heads' large-scale offensive on the Sisophon-Poipet battlefield at 1700 on 4 February.

1. The two-headed General Staff, which has been meeting in Battambang since 3 February, has gathered together the routed troops from Divisions 3, 11, and 12 and ordered them to strive further to redress their repeated defeats on the Sisophon-Poipet battlefield. The General Staff mustered and dispatched two tanks that we had not burned down or destroyed in an attack on 2 February to back up their ground troops. Both the ground troops and tanks retreated, however, the former in panic.

2. Our courageous and brave National Army organized its forces and combat tactics in an orderly and energetic manner. A major part of our forces cut the supply lines, which were the enemies' blood vessels linking

their front and rear lines, into a great many portions, while another part smashed the frontline enemies with all kinds of strategic weapons.

At 0800 on 3 February, our forces, assigned to cut the enemies' throats, began attacking the enemy troops repeatedly by detonating mines. We killed or wounded over 50 enemy troops, including 11 enemy soldiers whose corpses were found scattered on the site.

We continued to attack and cut off all small and large enemy supply lines, causing the frontline enemy troops to run out of water, rice, and ammunition and preventing reinforcement troops from coming to help them at all on 3 February.

3. On the morning of 4 February, the 12th division troops, which sallied out from Kop Toch to help their comrades, were attacked, routed, scattered, and forced to retreat to Dong Aranh, Route 5, or the rear. Lai Virak, commander of the 12th division, was able to gather only 50 of the fleeing soldiers.

On the same day, our forces that had attacked and cut the enemies' throats continued to block the enemy supply lines in an area south of the Kop River. The (?52) casks of water that the enemies had managed to take from the river were consumed by those in the rear. The frontline enemy troops had nothing to drink all day on 4 February.

4. Operational Commander Prum Samen was aghast. He proposed to the 4th Military Region command in Siem Reap that the forces of the 8th and 3d regiments be withdrawn to the rear and that the 7th regiment be sent to the front line. Nevertheless, those in the front line were unable to retreat while those in the rear dared not go. They all fled without stopping .

The 4th Military Region command said as the troops had run away in such a manner, their military region and their two-headed government had been terribly humiliated. Their American and Vietnamese bosses, who painstakingly sponsored the offensive, had also been terribly humiliated.

At 1200 on 5 February, Prum Samen marshalled and sent off the remaining soldiers from the routed 12th division to go and rescue the 3d and 11th divisions. Even so, they are being totally demoralized. Our National Army combatants continue to smash them.

5. The frontline command wishes to convey the warmest commendation to the cadres; combatants, both male and female; and the people who have been joining hands to resist and completely rout the two heads' offensive on the Sisophon-Poipet battlefield.

Cambodia: Paper Views Tycoon's Verbal Attack Against Sam Rangsi

BK0202152896 Phnom Penh SAMLENG YUVEAKCHON KHMER in Cambodian 25-26 Jan 96 p 1, 4

[Comment by S.S.: "Has Mr. Theng Bunma Gone Too Far?"]

[FBIS Translated Text] The lengthy biography of Mr. Theng Bunma, chairman of Thai Boon Rung company, was once carried by SAMLENG YUVEAKCHON KHMER. Hardly had our newspaper begun presenting a report on Theng Bunma's life and work than our director, Nuon Chan, was gunned down in broad daylight. According to the biography written when Nuon Chan was alive, the author revealed that Theng Bunma used to make a living out of contraband during Lon Nol's time. He was once jailed for his smuggling activities during that era (the era of Lon Nol).

A few months ago, Mr. Theng Bunma was again exposed by the FAR EASTERN ECONOMIC REVIEW for his involvement in drug trafficking. This latest critique made him angry and led him to issue a personal statement presenting himself to the Cambodian public as an honest, law-abiding merchant. Another cause for outrage hit him before he had time to quash this simmering anger.

During a news conference held upon his return home from a month and a half-long foreign tour, Sam Rangsi publicly announced that if he was killed it would be Second Prime Minister Hun Sen who ordered the killing with the complicity of First Prime Minister Ranariddh and the financing of Theng Bunma. Sam Rangsi's remarks sent Theng Bunma into a fit. He retorted that he would use the money to buy a guard dog rather than to finance Sam Rangsi's assassination. The choice of such words has led some circles to understand that Theng Bunma viewed Sam Rangsi to be beneath a dog. They wonder: If Sam Rangsi, who has won a 23 percent approval rating from the Cambodian people, is already worth less than a dog, then of what value are Hun Sen, with 13 percent, Prince Krompreah Norodom Ranariddh, with 7 percent, and the other parties, with even lower approval ratings? What about Theng Bunma himself, who has the lowest rating of them all?

These circles believe that Theng Bunma should not confuse humans with animals, because humans and animals are so different from one another; they are completely incomparable. Everyone knows that a dog will do whatever his master orders him to do. The master says bark, and he barks; the master says bite, and he bites. It is dangerous to compare a human to an animal like that, for it might inspire some unsophisticated circles to mistake REAKSMEI KAMPUCHEA — which is a mouthpiece of Theng Bunma — for something else altogether. How about those who are in the service of Theng Bunma? Are they not also mistaken as being beneath something?

We point this out merely in order to prevent certain circles from interpreting Theng Bunma's words incorrectly. Personally, we do not wrongly interpret them like these circles do. We hold that Theng Bunma is a decent person who correctly appreciates the value of his fellow humans, and all his undertakings are for the development of our Cambodian society as a whole. Whatever Theng Bunma uttered concerning Sam Rangsi was merely an expression of outrage. Some suggested that it was said only because he was so furious.

Cambodia: Columnist Urges Ranariddh To Reconcile With Sam, Rangsi

BK0202125396 Phnom Penh SAMLENG YUVEAKCHON KHMER in Cambodian 25-26 Jan 96 pp 1, 2

[Comment by Manourom]

[FBIS Translated Text] The two prime ministers appear to be in absolute harmony and to very much love each other, because they are seen to walk everywhere hand in hand. Nonetheless, Cambodia political watchers view the two differently, because they spoke different languages when they attended various inaugural ceremonies in separate places.

Presiding at the inauguration of a school in Kandal Province last December, Hun Sen pointed out that some political parties had promised before the elections to do this or that. Nevertheless, the political parties have not done anything that was promised while in power.

Political watchers believe that Hun Sen's statement was aimed at criticizing Prince Krompreah Norodom Ranariddh, who has not fulfilled the promises he made before the elections.

As for the prince krompreah, he said, impressively, during a recent visit to Kompong Som Province, where he wore a FUNCINPEC [National United Front for an Independent, Neutral, Peaceful, and Cooperative Cambodia] party badge, that the Khmer Rouge have already killed over 2 million Cambodians, but some people have again invited foreigners to come and kill more Cambodians.

Cambodian political analysts believe that the statement by the prince krompreah was aimed at finding fault with Hun Sen, who had called on Vietnamese troops to come and continue massacring Cambodians after the Khmer Rouge.

In view of the two prime ministers' statements, Cambodia watchers believe that the two criticize each other indirectly in order to make themselves popular among the people. This indicates that the two prime ministers have their own strategies to achieve victory in the 1998 elections. It is worth recalling that the Constitution clearly stipulates that there will be only one prime minister beginning in 1998.

According to an opinion poll organized by the Cambodian Journalists Association last December, the Cambodian People's Party will win 13 percent and FUNCINPEC will win only 7 percent of the vote.

Given a situation in which he has seriously lost popularity, what should the prince krompreah do to prevail over Hun Sen?

Prince Krompreah Norodom Ranariddh and Hun Sen are two different kinds of people with regard to their status (one is a member of the royal family, while the other is a commoner), intellectual and physical aptitude, and so on. We do not intend to elaborate further on a number of other differences. The propaganda conducted by the two prime ministers to boost their popularity is also different strategically. Hun Sen has no other strategy than to criticize the Khmer Rouge and to collect money from merchants to build schools, dams, and various kinds of buildings. As for the prince krompreah, his strategy has proven to be far more effective than Hun Sen's. He has been able to do everything Hun Sen has done, as well as to deal with an extremely important problem that concerns Cambodia's territorial integrity and immigration law enforcement, which is something that Hun Sen has not been able to do.

What the Cambodian people fear most at present is the loss of Cambodian territory due to the ceaselessly growing number of Vietnamese taking residence in Cambodia. The Cambodian people would be very, very happy if the prince were able to wrest back the territory given to Vietnam by Hun Sen, because they will have the land required to make a living. The prince can also deal with the problem of immigrants from Vietnam and other countries. Those are the immigrants who come and take jobs from the Cambodian people. Were the prince able to resolve this problem further, all of the Cambodian people, including peasants and workers, would have jobs, thereby improving the livelihood of all public servants. If those problems were solved, the prince would not need to waste his breath conducting propaganda campaigns. The Cambodian people throughout the country would certainly support him as they did in the 1993 elections.

Hun Sen is in no way able to use the two strategies above, because he has signed to give land to Vietnam and has allowed the Vietnamese to come and live in Cambodia.

You, the prince, should acknowledge that you have lost the Cambodian people's support because you have left vital national problems unresolved and because you have expelled [former Foreign Minister] Sam Rangsi, who is striving to find solutions to the problems. Therefore, it is necessary that you reconsider and manage to resolve these problems, no matter what. Newspapers that have written against you will certainly praise you again. As for Sam Rangsi, who is currently opposing you, he will turn to support you as well, because he only wants you to solve all of the national problems. You, Grandpa Son Sann, and Sam Rangsi will be able to unite and form a coalition government. Hun Sen can never prevail, using any kind of tactic.

Indonesia

Indonesia: 'Good News' on OPM's Hostages Expected 8 Feb

LD0702095496 Melbourne Radio Australia in English 0900 GMT 7 Feb 96

[FBIS Transcribed Excerpt] An exiled spokesman of the Free Papua Movement, or OPM, says some of the 12 people being held by the separatist group in the Indonesian province of Irian Jaya will probably released soon. Mozes Weror, who is based in Madang in neighboring Papua New Guinea, has told Radio Australia that there would be what he termed good news about the hostages tomorrow afternoon local time, but he said the six foreign hostages — four Britons and two Dutch — would continue to be detained. He said the OPM's quarrel was more with the Western governments whom he alleged stood to gain so much from Indonesia's incorporation of Irian Jaya, rather than with Indonesia itself. [passage omitted]

Indonesia: ICRC Acts as 'Facilitator' in Irian Jaya Kidnapping

BK0702061696 Jakarta ANTARA in Indonesian 0511 GMT 7 Feb 96

[FBIS Translated Text] Jakarta, 7 Feb (ANTARA) — The International Committee of the Red Cross [ICRC] has confirmed its involvement in efforts to end the hostage crisis in Irian Jaya, but says it is merely acting as a "facilitator" for the Indonesian Government.

Endah Sri. R. Wahyu, information assistant at the ICRC representative office in Jakarta, told ANTARA [words indistinct] that the ICRC and the Indonesian Government held talks on the matter several days ago. [sentence indistinct]

Endah confirmed that the ICRC initiated the talks with the Indonesian Government because Kelly Kwalik, leader of the kidnapping group, had contacted (?the ICRC).

She, however, declined to give details of the demand made by Kwalik, one of the leaders of the GPK [security disturbance movement, the official name for the OPM or Free Papua Movement] in Irian Jaya.

"The ICRC has not contacted Kwalik, but I can tell you that he asked for talks with the ICRC," (?Endah said).

Henry Fournier, ICRC chief representative in Jakarta, is at the hostage site [as received] to "know what Kwalik wants and what the ICRC can do."

"The ICRC is merely acting as a facilitator for the Indonesian Government," Endah added.

The information assistant was, however, unable to say what the ICRC would do later on or the size of the ICRC delegation there.

Indonesia: Navy Detains 17 Filipino Fishermen for Encroachment

BK0702111496 Jakarta ANTARA in Indonesian 0713 GMT 7 Feb 96

[FBIS Translated Excerpt] Manado, 7 Feb (ANTARA) — KRI [Republic of Indonesia Ship] Kakap has detained 17 Filipino fishermen aboard the "Pan Boad" [name as received] for illegally entering Indonesian waters around the Ternate Sea in the vicinity of the northern Maluku islands.

The foreign fishermen were detained at the end of January while fishing in the waters. They are now under detention at the Indonesian naval base in Bitung, Navy Colonel Joko Mulyanto, commander of the Bitung Naval Base, told ANTARA in Manado on Wednesday. [passage omitted]

Indonesia: Cholera Kills 30 in East Nusatenggara Province

BK0702044396 Jakarta KOMPAS in Indonesian 7 Feb 96

[Unattributed report — received via Internet]

[FBIS Translated Text] Ende, KOMPAS — The death toll from cholera, which has hit parts of East Nusatenggara Province over the past three months, reached 30 by Monday afternoon (5 February).

According to reports, the disease has hit West Sabu Subdistrict on Sabu Island, Kupang District. Twenty-nine residents are reported to have died from the disease.

Cholera has also attacked Kefamananu, Northern Central Timor District. One resident died from it. Meanwhile, Larantuka, capital of East Flores District, is reported to have been hit by diarrhea.

Dr. Agus Berek, head of the East Nusatenggara Provincial Health Service, said in Kupang on Monday (5 February) that he had instructed Dr. R.E.P. Lamanepa MPH [Master of Public Health], head of the Kupang District Health Service, to immediately verify the reports on the disease in West Sabu. "A task force was sent there last week. They are, however, facing minor obstacles due to difficult communications. We are waiting for a report from the team," he said.

Agus was, however, unable to confirm the death toll from the disease in West Sabu.

Diarrhea has broken out in the precincts of Sarotari, Ekasapta and Lebao in Larantuka. At least 141 patients have undergone intensive care at the Larantuka General Hospital over the past two months. Regarding the diarrhea cases in Larantuka, Agus Berek said his office had conducted a field observation and found out that the epidemic was not serious because it had not spread. "The epidemic is under control," he added.

Thailand

Thailand: Prime Minister Comments on Burmese Border Situation

BK0602152596 Bangkok Radio Thailand Network in Thai 1200 GMT 6 Feb 96

[FBIS Translated Excerpt] Prime Minister Banhan Sinlapa-acha has given his view of a recent incident in which members of the Karen ethnic minority crossed the border into Tak Province and robbed people along the Thai-Burmese border. Several Thai nationals were injured. The prime minister noted that the problem stems from the fact that there are Karens of different faiths living along the Thai-Burmese border. He said the problem might be solved if we can get them to unite, a method similar to that used by Thailand to solve problems in other border areas:

[Begin Banhan recording] A group of about 60 men recently crossed the border and robbed people in Tha Song Yang, killing some of them. Regarding this incident, I noted to the authorities that the Karens are divided into Buddhists and Christians. We must try to prevent problems between them. There would be no more problems if we could make the two groups understand each other. We must admit that, in the past, we had similar problems in our border areas close to Laos, Cambodia, and Malaysia. We have been able to control the situation in all our border areas except the Burmese border. Given the situation, we should try to forge a good understanding among the people there. We cannot resort to violence because it could lead to tension between the countries. We are trying to help our forces keep the situation under control by means of discussions and negotiations with Burma at various levels, conducted either by the military or the Foreign Ministry. [end recording] [passage omitted]

Thailand: Army Commander Discusses Response to Karen Attack

BK0202145096 Bangkok Radio Thailand Network in Thai 1200 GMT 2 Feb 96

[FBIS Translated Text] Speaking today on the recent attack and robbery by Karens under Burmese control, in which three Thais were killed, Army Commander General Pramon Phalasin said it is difficult to prevent such incidents completely because of how easy it is to cross the border. It is impossible to station personnel everywhere. There is a plan to relocate refugee settlements away from the border to facilitate security measures, providing that suitable sites can be found. What has been done now is that local officials have been instructed to step up their patrols and vigilance.

The Army commander said the movements of the Karens will be monitored to see if they receive support from the Burmese. An appeal has been made to the Burmese; it is felt that an effective dialogue can be achieved with senior Burmese officials. Regarding retaliation, the Army commander said any retaliation must be kept at a level that avoids negative consequences for bilateral relations.

Thailand: Minister Warns of 'Hot Pursuit' of Raiders Into Burma

BK0502150296 Bangkok Thai Color Television Channel 9 in Thai 1200 GMT 5 Feb 96

[FBIS Translated Text] Defense Minister General Chawalit Yongchaiyut has said he will lead a delegation to inspect the Thai-Burmese border near the site of the recent incident. He said he believes the Army commander already instructed troops to retaliate against Karen Buddhists who violated the border at Tha Song Yang District, Tak Province. He accepted the fact that the Burmese Government could not control what happened:

[Begin recording] [Unidentified correspondent] If attacks from across the border persist, will we retaliate into Burmese territory?

[Chawalit] Certainly.

[Correspondent] What if the Burmese do not accept such an action on our part?

[Chawalit] The Burmese have no control over what happened at the border, so they must understand if there is hot pursuit.

[Correspondent] [Question indistinct]

[Chawalit] In military doctrine, there is such a thing as hot pursuit. If soldiers do not pursue the enemy they are not soldiers. [end recording]

Thailand: Burma Said To Ignore Protests Over Encroachment Along River

BK0302132896 Bangkok THAILAND TIMES in English 3 Feb 96 p A2

[Unattributed report]

[FBIS Transcribed Text] Tak — Burmese authorities have shrugged off Thailand's protest against the country's encroachment along the Moei river. Burmese workers have been placing stakes along the river opposite the Thai villages of Huai Muang Daeng, Tha At, and Rim Moei in Tha Sai Luat sub-district, and are about to start placing stakes along a one-kilometer stretch south of Myawady. The practice has altered the river's course. The Thai Foreign Ministry has complained to its Burmese counterpart about the matter, and authorities across the border have promised to halt the practice.

However, they continue to drive in the stakes, claiming that they are being put in to prevent erosion along the bank. Moreover, a concrete structure of about 400-meters long reportedly will be built in the near future.

Residents of Tha At said if the Burmese do not remove the stakes, their village could be flooded in the rainy season.

Local Thai officials have reportedly submitted letters to Myawady authorities about the matter, saying the placing of stakes along the bank is a violation of the Regional Thai-Burmese Border Committee resolution of April 1994, which only allows the use of rocks to protect the banks from erosion. The placing of stakes is being done with the permission of Burmese 88th army division commander Brigadier General Tun Kyi, who said he has received no order to halt the project. The Burmese began driving in the stakes along a 10-kilometer stretch of the river on January 24.

Tak Chamber of Commerce Deputy Chairman Suchat Triratwatthana said Thailand should not allow the dispute to affect the two countries' relationship. "We should separate each matter from one another and both sides should focus on economics instead of politics," he said.

Thailand: Officer Says Malaysian Wall Not Encroaching on Territory

BK0702045196 Bangkok BANGKOK POST in English 7 Feb 96 p 3

[Unattributed report]

[FBIS Transcribed Text] Nakhon Si Thammarat — Malaysia's groundwork for a border wall opposite Satun does not encroach on Thai soil, according to the Fourth Army Region's investigation report.

Fourth Army Region Commander Lt-Gen Panthep Phuwanatnurak said Thai villagers, in fact, had set up shrimp farms on Malaysian soil due to a misunderstanding that the border was marked by a canal and a line of coconut trees.

After Thai authorities informed Malaysia of their fear that the wall might encroach on Thai soil, the Malaysian contractor agreed to suspend construction work until the two countries clarify the border, he said.

In addition, Malaysia agreed to compensate the Thais' shrimp farms damaged by construction of the wall because parts of farms located on Malaysian soil had been filled with earth.

However, the two countries still need to clear the border line to prevent any conflict about boundaries in the future because the wall was not constructed horizontally along the border line but tapering towards Thai soil. The Border Demarcation Committee will be assigned to examine the unclear Thai-Malay border line, he said.

In response to the news that Malaysia was planning to seize Tarutao Island because oil had been discovered there, Lt-Gen Panthep said none of the Thai islands will be seized by Malaysia since both countries have agreements on sovereignty over the islands.

Thailand: Visa Ban Imposed on 'Activists' Ahead of Asia-Europe Summit

BK0402124596 Bangkok THAILAND TIMES in English 4 Feb 96 p A1

[Unattributed report]

[FBIS Transcribed Text] Bangkok — The government is imposing an entry visa ban on several foreign activists, fearing that they plan to organize protests during the upcoming Asia-Europe Meeting [ASEM], a police source said yesterday.

"The ban is being imposed in accordance with a resolution recently passed by agencies responsible for security for the event," said the source.

Heads of government from 10 Asian countries and their 15 European counterparts will gather in Bangkok for the first ever ASEM March 1- 2.

State security agencies have been monitoring the leaders of several non-governmental organizations suspected of planning protests during the international conference, said the source, adding that only Thai nationals will be permitted to demonstrate.

Authorities feared the presence of French Prime Minister Jacques Chirac and Chinese President Jiang Zemin would prompt anti-nuclear activists to protest against the two countries' much-maligned nuclear testing policies.

During the Association of Southeast Asian Nations Summit held in Bangkok last December, a journalist reportedly led NGO [nongovernmental organization] representatives from Nepal, Japan, and Hong Kong in a protest against the construction of the Pak Mun dam. Later, they took part in a Forum of the Poor rally.

Some domestic human rights groups are planning to use the meeting as a venue for protests, said the source. Among other disturbances, the government is expecting Burmese students living in Thailand to organize a protest calling for the release of Burmese activists Toe Kyi and Tin Htoo, who were jailed last year for engaging in illegal political activities on Thai soil.

Foreign NGO leaders who organized protests in Bangkok during the 5th ASEAN Summit late last year were identified as Milmani Pant and Rajan Shaharai, of Nepal; Hideo Yanagawa, of Japan; Sum Kiohg Ngin and Lee Siew Hua, of Malaysia; Hok Bunthoeum, of Cambodia; Antonio Winleyso, of the Philippines; Jamie Parker and Alma Juntry, of Australia.

Maung Maung Than, a well-known Burmese activist, joined the Student Federation of Thailand in a rally in front of Royal Orchid Sheraton hotel, the site of the ASEAN Summit. They called for democracy in Burma and condemned ASEAN members for allowing the Burmese junta to participate in the meeting.

Thailand: Banhan Dismisses Thoet Thai Faction Defection Rumor

BK0702043796 Bangkok THE NATION in English 7 Feb 96 p A6

[Unattributed report]

[FBIS Transcribed Text] Prime Minister Banhan Sinlapa-acha yesterday tried to play down reports that a Chat Thai faction led by party adviser Narong Wongwan is planning to defect to another coalition partner, the New Aspiration Party [NAP].

Banhan, the Chat Thai leader, told reporters yesterday that Narong, head of the Thoet Thai faction, came to see him three days ago to explain his motives in attending the birthday party of NAP deputy leader Kiatchai Chaichaowarat last month.

The NAP-Narong gathering was seen by some as an attempt by Narong to pressure Banhan into naming him to the Cabinet and became even more provocative when Narong tipped NAP leader Gen Chawalit Yongchaiyut as the most likely successor to Banhan as prime minister.

According to Banhan, Narong explained that he was invited to attend the gathering and his comments about Chawalit becoming the next prime minister were just meant to please the host NAP. "Wishing anybody to become prime minister was a casual thing for him to say to anyone," Banhan quoted Narong as telling him.

PM's [Prime Minister's] Office Minister Piyanat Watcharaphon, a Thoet Thai member, also denied that the NAP attempted to woo Narong to its side, saying Kiatchai's invitation to Narong to attend his birthday party was linked to their long-time friendship and was not politically motivated. Kiatchai used to be Narong's subordinate before the former left the Ruam Thai Party.

Banhan also denied the Sunday meeting was to discuss a possible Cabinet post for Narong, who, even though leader of the Thoet Thai, was blocked from obtaining a Cabinet post due to US drug allegations.

Banhan told reporters yesterday he has ordered the government's Commission of Inquiry to bring to an early conclusion to its probe into the US allegations linking Narong to drug trafficking.

The commission's investigation of the case will be the final step in the process and is meant to bring an end to Narong's case, the premier added.

Tension has built up within Chat Thai over whether Narong will be given a ministerial slot in a Cabinet reshuffle expected in the next two months.

The prime minister said the information available so far, including that obtained from three former US officials who visited Thailand recently, had produced no clear evidence that would link Narong to the alleged drug trafficking into the US. He said he has tried to seek more evidence from the US side but to no avail.

"I think now there exists only the people's sentiment against him," Banhan said.

Banhan also denied any knowledge of an invitation sent by the US Republican Party to Narong two weeks ago to attend its "Republican National Breakfast Players" function in Washington later this month. A local report yesterday said Narong presented a copy of the invitation to Banhan together with other evidence including the testimony of the three US officials in Bangkok last month, to prove his innocence, which would make him eligible for a ministerial post.

The invitation came to light just two weeks after the visit of the three US officials, which was viewed by the public as a collective effort to try to clear Narong against the allegations made against him by the US.

Narong was refused an entry visa to the United States in July 1991 under the Immigration and Nationality Act.

An official at the US embassy in Bangkok refused to comment on the Republican Party's invitation to Narong, saying the embassy was not aware of it. In responding to the question, the official said there was no precedent whereby a person banned from entering the US could eventually enter the country following an invitation extended to the person coming from the US.

Thailand: Editorial Urges ASEAN To Pressure Burma Toward Reform

BK0402132096 Bangkok THAILAND TIMES in English 4 Feb 96 p A4

[Editorial: "SLORC: Acronym for Evil"]

[FBIS Transcribed Text] A man is judged, or so the saying goes, according to the company he keeps. This maxim doesn't extend to politicians and businessmen. If Mr or Mrs Joe Public were observed consorting with known criminals, then doubtless the police department would take a keen interest in their activities. If government officials, on the other hand, sit down to dinner with individuals of a highly suspect character, then it's considered political expediency and not worthy of public interest.

While our leaders cozy up to the military dictators in Rangoon, the generals have cut themselves a very nice deal with drug baron Khun Sa. According to some sources, millions of dollars are said to have changed hands. Khun Sa has won himself freedom from prosecution and a very desirable residence in Burma's capital.

Will the undisputed fact that leaders of Burma's State Law and Order Restoration Council [SLORC] consort with criminals affect their application to become a member of ASEAN? Of course not. What does this say about our own political leaders? They cannot be insensitive to the fact that SLORC is a widely despised regime. Governments may be unpopular, they can even bother with the pretense of sham elections or buying votes. SLORC represents the epitome of abuse of power. SLORC — the acronym for everything that is politically evil.

The generals who have turned a once prosperous and productive country into an economic basket case, do not enjoy the support of a majority of the Burmese, and haven't for decades. The only person who can command respect is Aung San Suu Kyi, but although she has now been released from house arrest, she is still restrained from participating in effective political activity.

Sooner or later the generals will have to go. If this occurs during this generation, how will the Burmese people and their democratically elected leaders interact with their ASEAN partners? After official receptions will they feel a compelling need to rush to the bathroom and wash their hands?

ASEAN governments have to deal with somebody in Rangoon, and since authority rests with SLORC there is no alternative but to sit down with the generals. SLORC is the authority in Rangoon, they are not the legitimate authority. Unfortunately, ASEAN leaders appear to take great pleasure in making excuses for their Burmese counterparts. Deal with them by all means, but do not diminish the dignity that goes with the post of an elected public official by apparently enjoying it so much.

The ASEAN policies of constructive engagement and of not interfering in the internal affairs of a neighbor do not necessary extend to closing one's eyes to the reality of the situation. SLORC and its predecessors came to power through a coup d'etat. They have enslaved their own people and ignored popular elections with ethnic rebels. They have broken numerous treaties and ceasefire agreements with ethnic rebels. They have ignored appeals by Bangkok to keep their squabbling on the Burmese side of the border. Simply put, the generals cannot be trusted. Despite all of this, SLORC generals enjoy VIP status when they visit ASEAN capitals. They get the red carpet treatment — treatment they most certainly do not deserve.

Isolating Burma would not achieve anything. Cutting the country off from any possibility of development would only entrench the generals and worsen the situation for the people. The policies of constructive engagement and non-interference have many positive aspects, including giving ASEAN leaders the opportunity to talk directly with SLORC. This opportunity, however, should be used more constructively to bring about real political change in Burma. The policies shouldn't be distorted to allow SLORC membership of ASEAN, nor should political expediency be permitted to detract from the fact that SLORC is a cruel and illegal regime.

ASEAN should use the opportunity they have to influence the authorities in Rangoon. If they don't, then there is always the possibility that ASEAN governments will be judged not only by the company they keep, but how they keep that company.

Thailand: Military Infighting Over Satellite Project Reported

BK0502032096 Bangkok THE NATION in English 5 Feb 96 p B2

[Report by Utsani Mongkhonphon]

[FBIS Transcribed Text] Defence Minister Gen Chawalit Yongchaiyut has been given a new alternative to ensure the launch of Star of Siam, Thailand's first communications satellite for the military.

Using the War Veterans Organization of Thailand (WVO), the Defence Ministry could call a bid to seek project investors and partly employ the satellites for commercial use to seek funds without relying solely on the government for support. Gen Chawalit has been ambitiously attempting to equip the Thai armed forces with a sophisticated and self-run communications satellite system, costing around [baht] Bt28 billion. Chawalit earlier vowed he would not ask for a single baht from the government for the project.

Star of Siam is now supervised by the Supreme Command Headquarters' Defence Technology and Telecommunications Centre. The new unit is working closely with the British government, which supports British Aerospace and Marconi, to provide the necessary equipment and facilities.

A Ministry source said a group of high-ranking officials in the Headquarters has proposed that Gen Chawalit award the WVO control of the satellite project because the organization is an appropriate unit that is capable of calling for tender bids and seeking income.

"The lobbyists have urged the Defence Ministry not to seek huge funding from the government if the organization is allowed to handle the project instead," said the source.

Air Marshal Wira Kanhasiri, director of the Ministry's technology centre, told THE NATION late last week that it is not a viable proposition for WVO to take control of the project, because the Centre has been running the show from the very beginning.

The satellite project is designed to serve virtually all the military's activities. If the organization wants to open bids and provide commercial services, this will probably not be in accordance with the Transport and Communications Ministry's satellite concession, according to Wira.

But the legal situation remains unclear on whether the Defence Ministry can call a bid and offer commercial services for general users. The Transport and Communications Ministry is now the only agency offering satellite communications services, having awarded a concession to Chinnawat Satellite Plc.

The Defence Council recently approved the first tranche of investment worth Bt2.8 billion cut from the military budget due next year. If the Cabinet approves the budget, the project will effectively get under way, said Wira.

WVO recently made a significant move into the commercial sector by tendering for a commercial banking licence in competition with five other private consortiums.

It formed a consortium with a number of well-known firms and individuals including International Engineering Plc, Wattachak Plc, Krathingdaeng Group, Kanyong Electric, CMIC Finance and Securities, Siwara Real Estate, Yim Triwisawawet, Woraset Itsarayangyun, and Wirachai Techawitchit.

Industry sources claimed most of the members of the consortium have been involved with military deals and also have connections with Gen Chawalit's New Aspiration Party.

WVO is now being closely observed by the telecom industry. It earlier proposed a joint venture with private firms to invest in a new cellular mobile phone system, claiming it wanted funds to assist war veterans and their families. The organization is studying the possibility of operating a cellular mobile phone service. In its proposal, it cited the poor service provided by the existing cellular phone operators. If WVO is given the go-ahead, it expects to raise about Bt1 billion a year for war veterans.

Thailand: Board of Investment Reports Increasing Investment in 1995

BK0702082396 Bangkok Radio Thailand Network in English 0000 GMT 7 Feb 96

[FBIS Transcribed Text] The Cabinet yesterday acknowledged a report by the Board of Investment [BOI] on Thailand's investment situation for 1995, which saw the expansion of private sector investment of 16 percent. According to the report, BOI granted promotional privileges to 1,200 projects with a combined investment of 580,000 million baht throughout 1995.

Despite the change in the government and global financial crisis, foreign investment in Thailand continues to grow. A total of 615 foreign investment projects worth 411,000 million baht were approved by the BOI last year, representing an increase of 20 percent. Japan remains Thailand's largest foreign investor with its investment accounting for 48 percent of Thailand's total foreign investment. The United States comes second with 16 percent, followed by Europe, 14 percent, and Taiwan, 10 percent. Most foreign investment projects involve metal and machinery, electrical appliances and electronic, chemicals, plastic, and paper production.

Vietnam

SRV: Hanoi Radio, Television Station Inaugurated

BK0402144896 Hanoi Voice of Vietnam in English 1000 GMT 4 Feb 96

[FBIS Transcribed Text] The Hanoi radio and television station was completed and inaugurated on Saturday. Attending the inauguration ceremony was Minister of Culture and Information Tran Hoan; Chairman of the Vietnam Journalists Association Phan Quang; many editors in chief and reporters from central and local newspapers, radio, and television stations in Hanoi and other provinces.

SRV: Northern Radio, Television Directors Hold Meeting

BK0702134396 Hanoi Voice of Vietnam Network in Vietnamese 1100 GMT 7 Feb 96

[FBIS Translated Text] The directors of radio and television stations of eight provinces in the Red River Delta, namely Haiphong, Quang Ninh, Thai Binh, Nam Ha, Hai Hung, Ninh Binh, Ha Tay, and Hoa Binh met to exchange experiences on 5 February in Haiphong. Also attending the conference were leaders of the city committees, provincial people's committees, provincial party propaganda and education sections, and the political department of 3d military region.

This is the first meeting of this type convened at the initiative of the Haiphong Radio and Television Station. It is aimed at providing the provincial radio and television station directors in the important Red River Delta region the opportunity to exchange experiences on the general situation and to boost cooperation in modernizing this sector.

SRV: Do Muoi Discusses Party Congress in NHAN DAN Interview

BK0302142896 Hanoi Voice of Vietnam in English 1000 GMT 2 Feb 96

[From the "Talk of the Week" feature]

[FBIS Transcribed Text] The Communist Party of Vietnam [CPV] Central Committee will celebrate its 65th [as heard] anniversary on 3 February. Over the last 65 years, under the leadership of the CPV, Vietnamese people have successfully carried out the national people's democratic revolution, completely liberating and reuniting the country. Since 1975, the whole country embarked on building socialism. Over the past 65 years, the party has held seven congresses, and each congress is an important landmark leading the Vietnamese revolution forward.

Now the party is preparing for its eighth congress. The national daily NHAN DAN interviewed party General Secretary Do Muoi on the significance of this party congress.

He said: The eighth national party congress has a very important historic significance. It marks a point in a rapid developing period, leading Vietnam to a new magnitude in the world community in the first half of next century. Since its founding and forever, the CPV has and will absolutely be loyal to the interest of the nation and the working class, all for national independence and freedom and people's happiness. It is also a substantial and profound aspiration of the people. That is why any party activities — including the preparation for the eighth national party congress — are people's activities. The party has strictly followed and warmly responded to these activities.

Party leader Do Muoi said that reviewing and drawing lessons from the last 10 years of the renovation process, the eighth national party congress would identify targets for the year 2000 and orientation for development. It will also make projections for the development period up to the year 2020. With the achievement recorded recently, particularly over the last five years, the party identifies that the 1996-2000 period is a very important step in the new period of development to speed up modernization and industrialization, taking the country from poverty and underdevelopment, and creating a prerequisite to build Vietnam into an industrial country in two or three decades.

The party leader maintained that it was a decisive factor for the whole party, people, and Army to unite as one mind to match the chance to overcome all (?trial) and hardship and concentrate all social resources to carry out an overall renovation to obtain the objectives worked out in the strategy on socioeconomic stabilization and development till the year 2000.

He further pointed out that the party would now be aware of the importance to renew and purify itself, making the party closer to the people to maintain political stabilization, and to boost socioeconomic development. But, in any situation, the party always would play the leading role. Party leader Do Muoi concluded that all party members should try their utmost to improve themselves and continue to sacrifice themselves for the revolutionary cause. The party should be deserved of the people's trust.

SRV: Do Muoi Stresses Role of Intellectuals

BK0502112596 Hanoi Voice of Vietnam Network in Vietnamese 1100 GMT 4 Feb 96

["Excerpt" of speech delivered by party General Secretary Do Muoi at the second party congress of the National Institute of Natural Science and Technology in Hanoi on 2-3 February — read by announcer]

[FBIS Translated Text] Our eighth national party congress will discuss and decide on the strategic policy to accelerate the undertaking of industrialization and modernization to help our country overcome the situation of backwardness and poverty, become an industrialized country after a couple of decades, and achieve the goal of a prosperous population, a powerful country, and an equitable and civilized society, thus transforming the entire people's aspiration — which was also the profound wish of Uncle Ho and our predeceasing generations — into reality.

The aforementioned strategic policy ushers in a new historic period, perpetuates the great victory of our entire army and people's long struggle with numerous sacrifices and difficulties for national independence and unification, and fully implements the revolutionary line of national independence and socialism initiated and carried forward by our party.

In order to accomplish this firm undertaking, the report of the eighth national party congress confirms that science and technology are the foundation for industrialization and nationalization, that traditional technology is going to be combined with modern technology, and that modern technology is about to be rapidly introduced in key sectors. This affirmation means that the undertaking of national industrialization and modernization is the duty of the entire people.

In this undertaking, Vietnamese science — including the social and human, natural, and technical sciences — plays a very great role. The National Institute of Natural Science and Technology is the largest science and technology center in the entire country. It has more than 2,300 scientist cadres, including nearly 1,000 scientists of a high professional standard. It is equipped with many valuable machines and research facilities. These are favorable conditions for you, comrades, to accomplish your glorious and abiding duty.

All the cadres and employees of the center must heighten the spirit of independence, sovereignty, and creativity; listen to and learn from their colleagues; closely unite and cooperate for the common cause; and incessantly strive for better achievements, thus deserving the role as the leading science and technology center in our country. In order to accomplish this duty, at this party congress, together with the active contribution of views to documents that are to be submitted to the national party congress, you, comrades, need to discuss in-depth and decide on the plans and working programs for the party committee and the center to contribute to the national common duty in the most efficient way.

Dear comrades, from the early days of the revolution, our party and Uncle Ho have always paid attention to human advancement for the long-term interest of the nation. We have trained an abundant contingent of intellectuals for various sectors and professions for the cause of national resistance and construction. On entering the new stage, more than ever, the party, government, and people entrust the scientists with the duty of a vanguard soldier in the undertaking of industrialization and modernization.

Many newly emerging questions demand that we — beginning with the scientists and ranging from social and human scientists to natural scientists — to provide answers. So many problems have been created recently that demand that you, comrades, offer your best intelligence, skill, and experience to deal with them.

Why have the application and expansion of many scientific and technical advances — ranging from communication, informatics, material, electronic, mechanic technologies to new material resources — been slow? This is causing us to be left behind by many regional countries.

What can we do to protect the clean environment now and for the future? How can we efficiently exploit dozens of millions hectares of empty land and barren hills? How can we go further into the open sea to catch more fish and develop our sea-based economy? How can we improve our cultivation of plants and production of animals?. And the general question is: what can we do to accelerate national industrialization and modernization, implement industrialization in rural areas, and transform the socioeconomic structure in agriculture?

Our country is small with an overcrowded population and limited resources, so what can we do to accomplish the goal of a prosperous population, a powerful nation, and an equitable and civilized society? Nobody else, except you, comrades — the scientists of our nation — can answer this question; you must answer the question for yourselves and for the people, and suggest efficient guidelines, policies, and measures to the party and the government.

And at the same time, it is your responsibility to implement, and participate in campaigns to encourage and guide people in implementing these development targets. We should strive to allow the economy to develop rapidly and firmly, for cultural and social activities to remain healthy and rich in national characteristics while keeping in touch with modern civilization standards and the development pace of the region. Our national defense and security, and social order and safety should be continually consolidated. Are these not the most practical targets for our scientists in all fields currently?

To serve this glorious national undertaking effectively, first of all intellectuals should fully know themselves, as in our ancestors' saying, that if you fully know yourself and your enemy, you can always be sure of victory. In that spirit, your congress should strive to evaluate the development work of the party organization and the center. It has come to my attention that although the center was recently reorganized from the former Vietnam Science Institute, the party organization and the executive board have encouraged the cadres to fulfill all assigned tasks. The party committee and the executive board have coordinated closely, and the cooperation between the two bodies is becoming well-established with the principles of openness and democracy widely observed, thus helping the center gain gradual stability and development.

To fulfill your serious tasks currently, however, you should use your scientific sense in looking at reality so as to precisely evaluate your center, the expertise level of your researchers, the condition of the laboratories, and compare them with requirements put to them or with those in other countries in the region. By conducting an evaluation you will be able to work out directions and plans to heighten your level of competence, renovate your operational structure, and research investment projects effectively.

The center should familiarize universities with its activities, so that research cadres will be continually replenished, and will contribute practically to the improvement of people's general knowledge, human resources training, and to searching and nurturing talents for the future. Your center, as well as other scientific research institutes, should always adhere to reality and real life. Your research projects should focus on practical applications, respond to the demands of production, business, management, and daily life activities.

In many countries, most research institutes work closely with grassroots establishments, such as paddy fields, factories, companies, and corporations, thus allowing research and production activities to supplement and help each other improve efficiency, and the institutes themselves to benefit from the ever-improving expertise of cadres of scientists. Naturally, we should maintain a certain percentage of resources for basic research and for training more cadres in this field since at present we have to meet current demands, but we also have to prepare for long-term development of the country. Only by following that direction, can the National Center for Natural Sciences and Technology develop your tasks of mobilizing resources from society, gathering cadres of scientists, and materializing the center's strength. You will also be able to attract contributions from the large contingent of Vietnamese and Vietnamese-origin intellectuals who are living and working abroad, as well as the support of international scientists.

Regarding party work in science agencies, to fulfill assigned tasks and to foil all plots aimed at diminishing and even discarding the leadership role of our party, you should strive to build a steadfast and purified party organization and make it a place to gather scientists where all material and cultural needs of cadres and employees are well taken care of, and where every member has the best opportunity to offer his talent for the fatherland, for national interests, and for the happiness and future of each of us. Every party member should strive to become a model of industriousness, thrift, honesty, and fairness. Party members should have high enthusiasm and a good sense of responsibility, should always try to be a model in the unit, to unify and cooperate with others, and to observe strictly all directives and resolutions of the party as well as state laws.

Comrades in the party committee and other party members on the executive board of the center should be true models of talent and virtue with an ability to bring together people in science and technology circles. They should ensure that all lines and policies of the party and state be strictly observed in all scientific agencies.

SRV: Army Daily Stresses Party Role in National Development

BK0302133996 Hanoi Voice of Vietnam Network in Vietnamese 2330 GMT 1 Feb 96

[Editorial from 3 February issue of QUAN DOI NHAN DAN: "Enhancing the Leadership Capacity of Party Committees and the Quality and Intelligence of Party Members"]

[FBIS Translated Text] Today, our entire party, people, and army mark the 66th party anniversary, 3 February 1930 - 3 February 1996. In the new year festival spirit, the entire country has launched an emulative campaign to accelerate the movement of revolutionary actions aimed at the most practical achievements to welcome the eighth national party congress. With joy in the accomplishments of the overfulfilled targets and plans of 1995 and with stable national development after 10 years of renovation, our entire people and army feel prouder of our beloved party and great Uncle Ho.

Born in abject poverty, led by a revolutionary theory, and wanting to gain national independence and freedom and bring prosperity and happiness to the people, the national salvation path chosen by Uncle Ho has met the aspiration of the entire people. After experiencing numerous difficulties and sacrifices and suffering arrest, oppression, and execution by the enemy, and only 10 years after its birth and with only 5,000 members, the party led the entire people to wage the August general uprising, overthrew the dominating yoke of colonialism and feudalism, and seized the government for the people. Then in the next 30 years, the party led the entire people to wage two long resistance wars with numerous sacrifices and difficulties, defeated the most powerful invading forces, and regained total national independence, freedom, and unification. The great cause of the party has been the undertaking of the entire people.

In its 10 years of renovation, the party has studied, created, and discovered ways to gain prosperity and happiness for the people and to achieve the current initial results. The greatest lesson the party has learned is that the goal of the revolution must come from the aspirations and interests of the entire people, for the people, and by the people. The party has introduced the correct renovation policy; however, in order to mobilize and develop the people's great strength and transform policies and directions into reality, the decisive factor lies in the party's capacity to organize and carry out the work, as well as the vanguardism and exemplary character of cadres and party members.

The country is entering the stage of industrialization and modernization. This is a great opportunity for the revolution. However, current and future dangers and challenges are still creating pressure and difficulties for us. Four dangers that have cited by the party can be condensed into two: the danger of economic backwardness and the danger of deviation due to the degeneration of the ruling party.

The party is concentrating its efforts to deal with the danger of economic backwardness with the introduction of the regulated market-oriented economy and the open-door economic policy. This is the strategic issue of having a macroeconomic level to provide guidelines for all creative activities at grassroots level. However, the danger of party deviation depends on the awareness and training of the party itself, mainly in grassroots party organizations and the entire contingent of party members.

To speak of the leadership capacity of party organizations is to speak of the capacity of the contingent of party members, especially when party members are key cadres. The party's policy and line on industrialization and modernization in the new period has been welcomed by the entire people, but the application of these in practical grassroots situations depends on the intelligence level and ability of each basic party organization to outline concrete policies and guidelines.

Reality has proved that in the on-going party congresses at grassroots level, especially in the leadership orientation of many basic party organizations, the party's concept of industrialization and modernization has not been thoroughly understood. Many basic party organizations also have not been able to catch up with the local requirements for development. This is a major and urgent issue. A party organization that cannot renovate its leadership method and cannot mobilize the collective intelligence to develop its leadership will lead to poor progress or uncontrolled, deviant development, which would be far removed from the party's concept of industrialization and modernization for the goal of a prosperous population, powerful nation, and equitable and civilized society.

Another urgent requirement is the vanguardism and exemplary character of cadres and party members. In all revolutionary stages, especially at turning points or in the most difficult period, the vanguard and exemplary role of party members is an unspoken given with decisive influence on public willpower and action. In the market-oriented economic renovation, in addition to the large number of exemplary, industrious, diligent, frugal, honest, and impartial party members who provide excellent service to the public, work hard to legally enrich themselves, and gain the trust and love of the public, a significant number of party members — especially those in positions of power — have fallen into the trap of money and a materialistic lifestyle. They are engaged in corruption and intrigue, lead debauched and degenerated lives, thus decreasing the people's trust and causing damage to the party's reputation and the honor of party members.

Hostile forces have earnestly carried out a conspiracy of peaceful evolution to corrupt the party and cause our people's revolution path to deviate. The entire party as well as each party organization, on top of studying to upgrade their level of knowledge and capacity, must consider that the concentrated improvement in the quality of party members and the purification of the party contingent are of decisive importance in enabling the entire party to accomplish the party's glorious duty in the new period.

Our people's Armed Forces — which have been fighting under the invincible banner of the party and beloved Uncle Ho — are very proud of the party's path of outstanding development and the new glorious undertaking led by the party. Our Armed Forces must realize their formidable duty in the undertaking of national construction and protection. Party cadres and party members in the Armed Forces, together with the entire army, pledge to heighten the spirit of responsibility, to be totally loyal to the revolution cause, and to build up a revolutionary, regular, proficient, and modern army, thus meriting its role as the most powerful political force and reliable instrument of the party and people in the renovation undertaking.

SRV: President Promulgates Regulation on Militias

BK0602100196 Hanoi AN NINH THU DO in Vietnamese 4 Feb 96 p 1

[FBIS Translated Text] State President Le Duc Anh signed an order on 22 January promulgating the regulation on militia and self-defense forces. The aim of this regulation is to enhance party leadership, strengthen state management work, and improve the military organization's supervision over militia and self-defense forces. The regulation is also aimed at building the increasingly strong and firm militia and self-defense forces into a core force in localities so that, together with the people, they can struggle to foil the "peaceful evolution" strategy of the reactionary forces; protect the party, administration, and people's lives and property; and resolve conflicts at the grass-roots level using local forces to prevent them from expanding to other localities.

The regulation is composed of 33 articles in six chapters. Chapter One defines the position and function of militia and self- defense forces and fundamental principles in organizing and building the forces. Chapter Two deals with the table of organization, equipment, and training. Chapter Three focuses on state management and the role of militia and self-defense forces. Chapter Four defines state lines and policies regarding militia and self-defense forces. Chapter Five stipulates incentives and punishments. Chapter Six deals with provisions for implementation.

SRV: Committee Recommends 200 State-Owned Firms Be 'Equitized'

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[FBIS Transcribed Text] A committee advising the Vietnamese Government on business renovation wants 200 state-owned companies to be equitized this year. The proposal has been put to the government by the Central Advisory Committee for Business Renovation for consideration and implementation in 1996. The proposal is thought to be among the strongest measures aimed at restructuring Vietnam's business sector and is intended to attract much-needed domestic and foreign capital to modernize the national economy.

French Polynesia

French Polynesia: France To Sign Nuclear Treaty in 'Late Mar'

BK0602131096 Hong Kong AFP in English 1300 GMT 6 Feb 96

[FBIS Transcribed Text] Papeete, Feb 6 (AFP) — France, which recently ended its nuclear testing program in the South Pacific, will sign a treaty in late March declaring the region nuclear-free, French Polynesian leader Gaston Flosse said Tuesday.

Flosse, who will sign the treaty on behalf of the French government in the Fijian capital Suva, said the Treaty of Rarotonga, which sets up a South Pacific Nuclear Free Zone, will be signed by France "in the second half of March."

"It's an honor," he said of the French decision to allow him to sign the document, "but also and especially it is an official example of one of the new prerogatives we have obtained with our new autonomous status."

Along with France, Britain and the United States are expected to quickly sign protocols of the treaty. France could not sign while it was conducting nuclear tests at Mururoa in French Polynesia, but President Jacques Chirac announced last week that France had permanently ended nuclear tests and would sign the treaty.

Flosse is a neo-Gaullist who is a close ally of Chirac.

An official of the South Pacific Forum secretariat said last week the signing ceremony would be held within the "next few weeks" and would involve "a bit of fanfare."

The first protocol to the treaty invites the three nuclear-capable nations with territory in the zone — France, Britain and the United States — to apply the basic provisions of the treaty to their respective territories.

Under Protocols two and three, nuclear weapon states agree not to use or threaten to use nuclear explosive devices against anyone or test nuclear explosive devices in the zone.

The remaining two nuclear powers, China and the former Soviet Union have already signed the protocols.

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